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LEAD: TPP-11 delivers extra wins for Aussie exporters.

Signing of the TPP-11 delivers extra outcomes for Australian exporters that will help create new Australian jobs. Australian beef will benefit from further tariff cuts in a new bilateral agreement the Turnbull Coalition Government secured with Canada through a side letter.

Canada will eliminate its 26.5 per cent tariff on Australian beef imports over five years, instead of the 10 years agreed under the original TPP deal.

This will help sell more Australian beef to Canada, already our eighth largest beef export destination in 2017.

Today's additional outcome adds to the already strong beef export opportunities created under TPP-11. This includes Mexico's agreement to eliminate all beef tariffs (over ten years), and Japan's agreement to accelerate the reduction of its 38.5 per cent tariff on our beef exports to 9 per cent (within 15 years), building upon our existing access to the Japanese market under the Japan- Australia Economic Partnership Agreement (JAEPA).

Another key side letter outcome for Australia is Japan's tendering process for rice. Japan will now offer tenders six times a year, including an additional tender in May, in line with Australia's growing season. This bilateral agreement will provide improved trading conditions, helping grow Australian rice exports to Japan.

Australia's education services providers will have increased access to the booming Vietnamese market through a pilot program that will enable Australian universities to





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provide online courses to Vietnamese students. These additional outcomes build upon the export opportunities created by the TPP-11.

The agreement will eliminate more than 98 per cent of tariffs in a trade zone with a GDP of \$13.7 trillion that spans the Americas and Asia. As tariffs tumble, the TPP-11 will drive demand for Australia goods and services, helping create new Australian jobs.

Further information on the additional bilateral arrangements secured for Australia is available on the [DFAT website](#).





Why Australia should support a revived TPP;

The ECA stands with other industry bodies to support Australia joining the Trans-Pacific Partnership (TPP) trade agreement. More jobs, higher incomes, lower prices and more choice for consumers – just some of the reasons Australia should back the revived TPP.

This policy brief points out that the benefits from the TPP will be substantial with modelling showing it will boost the value of Australian exports by \$30 billion and increase real GDP by \$18 billion a year. [link](#)

Confidence rises for Aussie exporters;

Rising confidence among Australia's exporters is expected to grow trade and create new jobs this year. A survey of Australia's small to medium exporters reveals confidence is 10 percentage points higher compared to this time last year. The Exporter Sentiment Index, released today, shows strong confidence among Australian SME exporters with five of the six measures higher than the last survey in 2017.

The rise in confidence will see new jobs created as almost half businesses surveyed expect to employ new staff during the next 12 months.

The Exporter Sentiment Index also reveals 60 per cent of SME exporters expect profits to be higher in the next 12 months and many are exploring opportunities to expand internationally.

The confidence boosts comes as the Turnbull Coalition Government pursues an ambitious trade agenda to create new opportunities for Australia's SME exporters and cut company tax for SMEs.





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Adding to the suite of trade agreements the Coalition has delivered, last week I signed the TPP-11. The TPP-11 will eliminate more than 98 per cent of tariffs in a trade zone with a GDP of \$13.7 trillion that spans the Americas and Asia.

The Turnbull Coalition Government is working to help Australian SMEs unlock the opportunities trade agreements offer so they can sell more of their products and services to the world. Doing so will grow trade, the economy and create new Australian jobs.

The Coalition's FTA roadshow, which has travelled across the country teaching small businesses how to use trade agreements, will reach a milestone later this year, with its 100th seminar. The Government is also continuing to expand the award-winning FTA Portal that provides easy-to-access information about the specific benefits of Australia's trade agreements and the latest trade data.

Australia's export credit agency, Efic, continues to assist SME exporters by providing export finance solutions.





Tourism spending soars above \$40 Billion;

The record run for Australian tourism rolls on with spending by international visitors reaching a new high of \$41.3 billion for the year ending December 2017.

This is an increase of six percent on the previous year and represents an additional \$2.2 billion to the Australian economy - helping create and support Australian jobs.

Almost all states and territories saw growth in spending by international tourists during the year, with most recording double-digit increases. Tasmania continues to enjoy the strongest growth in the country, with spending by international tourists surging 31 percent during the year and up an incredible 90 per cent over the past three years.

The new spending records are revealed in the latest International Visitor Survey (IVS) released today.

Chinese tourists remain Australia's biggest spenders, pumping a record \$10.4 billion - a 14 per cent increase from last year - into the economy. This exceptional growth comes off the back of the successful 2017 China Australia Year of Tourism and increased aviation capacity secured by the Turnbull Coalition Government.

Spending by visitors from the United States also continues to grow, up three percent to \$3.8 billion. The Turnbull Coalition Government is working to supercharge this through Tourism Australia's record investment in the US with the new Dundee campaign.

The campaign, which first appeared as a trailer for a new Crocodile Dundee film before being revealed as a tourism campaign, aims to grow the US market to \$6 billion by 2020. Initial





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feedback from campaign partners and the industry has been overwhelmingly positive, with reports of a significant increase in booking enquiries and leads.

Other top performers for the year included India and Hong Kong. India recorded the strongest growth with visitors spending a record \$1.4 billion, a 16 per cent increase.

The International Visitor Survey is available on the Tourism Research Australia website:

www.tra.gov.au





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Prime Minister Turnbull Visits Thomas Global's Sydney Facility;

Thomas Global Systems today hosted the Prime Minister of Australia, the Hon. Malcolm Turnbull MP, on an in-depth tour of the company's Sydney manufacturing and research and development facilities.

The Prime Minister was briefed on Thomas Global's work to support key Australian, US and international defence programs including those for the Collins Submarine, ASLAV CPT, Hawkei PMV, M1A1 Abrams Tank and TOW Missile System; and on the company's advanced avionic display products which operate in a wide range of commercial and military aircraft cockpits internationally.

"We were honoured to host the Prime Minister and provide an overview of our unique capabilities in advanced cockpit displays, armoured vehicle electronics and specialized mission electronics," Thomas Global CEO, Angus Hutchinson said.

"For many years, Thomas Global has been providing and sustaining critical electronic systems that provide Australia and partner nations with unique advantages," Mr. Hutchinson said.

"We value the support of the Australian Government and today's visit by Prime Minister Turnbull was an opportunity to talk about how we can further develop and grow the Australian defence industry," he said.





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The Prime Minister's visit follows the release of the Australian Government's Defence Export Strategy, which has a strategic goal to boost Australian defence exports to create a more sustainable and more globally competitive Australian defence industry.

"Our company has grown on the back of our ability to sell products internationally so we are delighted the Australian Government has made defence exports a priority for the wider industry," Thomas Global Chairman, William Hutchinson said.

"I have never been more excited about the future of Australia's defence industry and I am confident the industry can expand and thrive," Mr. Hutchinson said.





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Visit to Hong Kong;

This week I will visit Hong Kong to advance Australia's trade, tourism and investment interests. Growing Australia's trade and attracting more investment and tourists will drive economic growth and help create new jobs.

As our fifth-largest investor and the sixth-largest destination for Australian exports, Hong Kong is a significant trade and investment partner. To lock in the openness between our economies, the Turnbull Coalition Government is taking forward negotiations on a high quality Australia-Hong Kong Free Trade Agreement.

I will meet with Hong Kong's Secretary for Financial Services and the Treasury, James Lau, and Acting Secretary for Commerce and Economic Development, Dr Bernard Chan, to discuss initiatives to strengthen economic cooperation between Australia and Hong Kong and the region.

At the 2018 Credit Suisse Asian Investment Conference I will meet regional business leaders to highlight investment opportunities in Australia. I will also deliver a keynote address at the conference on the evolution in Australia's investment rules, and how Australia achieved the secure management of our most sensitive assets while maintaining our openness to investment. Today at the Foreign Correspondents' Club I will deliver a speech outlining why Australia is a strong champion of free trade and how this has been intrinsic to our economic success.





Going global – Efic helping Aussie beauty business grow;

Efic's Small Business Export Loan helped Victorian-based beauty product business, Babe Australia (Babe), deliver on three purchase orders in the US and Mexico and continue to build brand presence overseas.

For Kim Peirce, Founder and Director of [Babe Australia](#), the move from being a management consultant in the oil, gas and mining industry to starting up her own beauty care and product business was a natural progression.

"I was turning 40, I was in corporate and it was going to be now or never. I had always wanted to do my own thing and made the decision to make that change," said Kim.

Quitting her corporate job, and with the support of her family, Kim started four businesses – two in the tech space and two in personal care/wellness products.

"The beauty products stuck and the tech sucked," said Kim.

"Babe was born out of a love for fragrance and essential oils, which I'd had since I was really young. The path is not too different, I guess, from mineral processing in a way. And essentially businesses are all the same, it's about running cash and managing everything within an inch of its life like a project and not leaving anything to chance," said Kim.

Manufacturing her beauty products started off simple – at the kitchen bench. Having undertaken a cosmetic and chemistry course to ensure she knew what she was doing, Kim launched a range of basic products that she could manage.





“We became so busy that I corralled in the family and had my mum, children and husband helping out. We had to continue doing that even when the orders starting coming in until we found a manufacturer that would give us a go.”

Kim says one of the biggest challenges she faced at the beginning was getting an Australian manufacturer to work with the business.

“In the end facing this challenge was the biggest stroke of luck we’d had as a business because the manufacturer we finally found has been more of a mentor to me than just a service provider,” said Kim.

[Standing out from the crowd](#)

In the beauty industry developing a brand that stands out is critical, say Kim. “Our brand was one of the advantages because it was a little cheeky with very clean white packaging that looked different to other products out there.”

Kim stresses that their success has also come from building strong relationships with Babe’s customers and buyers, “We get back to our customers really quickly, if ever there is a problem with anything we address it straightaway. We talk to our customers, and treat them as friends and part of the family. We’re the ones answering the emails. We’re like that with all of our buyers as well, and I think that’s been one of the biggest drivers of success for us with our export business. We’re real people and we’re really open.”

Export was always part of the equation for the business. With a limited market in Australia, Kim knew that overseas markets would factor into her business success.





With a [strong Instagram presence](#) and word of mouth it wasn't long after launch that Babe was able to secure its first export contract with large US department store Urban Outfitters.

“Once you start partnering with brands like the Urban Group a lot of people pay attention and inspire other people to get in touch as well,” said Kim.

The business invested heavily in getting into the US market due to the export growth opportunities, including attending major tradeshows.

“We saw that the US market was resonating strongly with our product. It was the cheekiness, the freshness, the realness and the simplicity of the product, as well as being a natural and cruelty free brand, meant the US girls love that.

“We now have core relationships with Bloomingdales and are one of the only Australian candles they stock, and we have a great relationship with Nordstrom.”

[Support for export growth](#)

Today exports make up around 70 per cent of Babe revenue, with further growth in the business outlook.

Securing two ongoing orders from two large US stores and having received a significant purchase order from Mexico, Babe needed working capital to help with product production and delivery, and the continuing strong push to build the brand in existing and new markets.

“We have the most sensational EMDG consultant who we were talking to about our cashflow challenge. He said you've got all these purchase orders in the system, loan against





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them. And I didn't even know you can do this! He said that Efic can help and made an introduction."

Babe applied for an Efic Small Business Export Loan, an online loan process that provides funding from \$20,000 up to \$350,000 in as little as 9 business days. For small businesses, being able to access cash before you need to deliver on a purchase order means you have the financial support needed to deliver on your contract and continue to run and grow your business.

"I loved the online application process. I was amazed at the ease of it. At that time it was really helpful to help with the reality of long payment terms in our industry. I'm really glad that we've learned about Efic," said Kim.

Going for it!

Kim's biggest piece of advice for small businesses is to just go for it. "Don't procrastinate, with any part of your business. Just go for it!"

Still running a lean business, Kim says Europe is on the horizon for the business with key department stores in Italy and France keen to get the Babe Scrub products on their shelves. "Our reinvestment into the business is focused on our existing markets but Europe is definitely in the pipeline.

Do you want to grow your international business? Contact Efic today to find out how they can help you go global. 1800 093 724 or www.efic.gov.au.





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