

# Rail industry on track to win big in UK-Australia trade deal

- UK-Australia deal set to remove 5% export tariff on rail products, potentially cutting costs and making British bids more competitive
- Will allow UK companies to compete for lucrative government contracts on an even footing versus Australian competitors
- Will open the door to top-priority country for UK rail industry, helping more Brits to work in areas such as construction and services

British rail companies are on track for potential Australian export boom thanks to the trade deal that will be signed later this year.

Australia is already the highest priority country for UK rail exporters, with more than £82 billion (\$155 billion AUD) being invested by Australia into its networks over the next decade, including new cross-country lines and modernised metros in cities including Melbourne.

All current tariffs on rail-related goods, including railway stock, track fixtures and fittings, and traffic signalling equipment are set to be scrapped as part of the free trade agreement (FTA), which will allow UK companies to be even more competitive when bidding for Australian government contracts worth billions of pounds in the coming years.

British rail companies will also benefit from new, legally guaranteed access to bid for Australian government contracts on an even footing with their Australian competitors, opening up billions of dollars of public sector rail contracts.

International Trade Secretary Liz Truss said:

Our rail exports industry is a Global Britain success story. Australia is undergoing a huge reconstruction of its train networks and this trade deal will allow British companies to be even more competitive when bidding for these massive, multi-billion-pound infrastructure projects.

These major contracts will support high value jobs up and down the UK, and allow more of our professionals to live, work and enjoy life on the other side of the world.

The deal will allow rail companies to build on some of the British successes already enjoyed in Australia's rail sector. These include manufacturer Altro's floor covering, which is used in the refurbishment of Melbourne's Trams and on trains in Victoria and Queensland, and consultancy firm Ricardo, which makes 25% of its rail revenue in Australia having won several high-profile projects.

It will also give UK employees more freedom to work Down Under and allow Brits under 35 to travel and work in Australia for up to three years as part of the agreement.

Chairman of the Railway Industry Association, David Tonkin, said:

Many UK rail suppliers already trade with Australia – from manufacturing firms in Doncaster to design companies in London – and with a Free Trade Agreement they can deliver even more. With Australia voted as the number one priority market for rail businesses in the UK, a trade deal will be welcome news to many, allowing them to more easily sell our world-leading products and services into the market.

The UK rail industry is a major exporter, selling £800 million each year across the world and it has a pivotal role to play in achieving the Government's vision of a 'Global Britain', supporting a clean, environmentally-friendly form of transport both at home and abroad.

This comes as the Department for International Trade and Innovate UK launch a competition that will support UK companies in the rail sector to innovate globally. The competition will award small businesses grants of up to £50,000 to help them access growing markets such in Australia, India, and Canada.