



## Don't let Buy Queensland sell Australia short

### Media release

“Any ‘Buy Queensland’ policies must be consistent with Australia’s international trade commitments,” said Lisa McAuley, CEO of the Export Council of Australia (ECA). “Otherwise they will undermine Australia’s international credibility and risk retaliation.”

The Australian Government works closely with state governments when negotiating Free Trade Agreements (FTA) and other trade commitments.

“States have plenty of opportunities during negotiations to object to any commitments. As part of the process, state governments opt in before an FTA enters into force. The Queensland Government has opted in to all of them” said Ms McAuley. “Backing out once they’re in force undermines the whole agreement. The way international trade works is that you have to deliver what you say you will. Otherwise, who’s going to trust you in future negotiations?”

Open trade benefits all parties, lowering costs for consumers (or, in the case of government procurement, taxpayers) and enables domestic businesses to expand their markets and create jobs. By contrast, protectionist measures increase costs to consumers and can lead to retaliation by trading partners.

“What’s to stop other Australian states shutting out Queensland firms from their procurement contracts?” Ms McAuley asked. “But it’s not just domestic government procurement that might be affected.”

International trade statistics provide detailed breakdowns of which goods come from which ports.

“A trading partner could pretty easily work out which of their Australian imports mostly come from Queensland, and put in place retaliatory measures that focus on Queensland exporters. Does anyone think the current administration in the United States would hesitate to retaliate if it saw an opportunity and a political advantage?” said Ms McAuley.

“If the Queensland Government does anything to back out of its trade commitments, it is putting its exporters at risk.”

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