

ECONOMIC RECOVERY WILL REQUIRE LEADERSHIP IN TRADE

MEDIA RELEASE: Thursday 3 September 2020

As the voice for Australian exporters, the Export Council of Australia calls on the Australian Government to take immediate action to develop and implement a comprehensive and practical trade-led economic recovery package.

We recognise the challenges and constraints faced by the Government but, now more than ever, they need to lead here and internationally.

The news that the Australian economy contracted by 7 per cent in the April-June quarter has simply highlighted what many Australians have already known and are experiencing.

Many Australians are struggling to get food on the table and worrying about their future. Many businesses are taking their last breath, hoping and fighting not to go under.

Australia is not alone. The rest of the world are also suffering. The World Bank estimates that global economy will shrink by 5.2% this year resulting in a 3.6% decline in per capita income and millions of people falling back into extreme poverty.¹

If economies do not start to open soon, many small -and medium- sized businesses, family run-owned business, SME exporters will shut down permanently.

The Export Council of Australia calls on the Australian Government to take immediate and bold action, including by, among other things:

- i. convening key stakeholders to get transport and logistics systems operating at close to previous levels, ensuring routes are open and prices are brought down.
- ii. facilitating the movement of goods across State borders if those goods are part of a global value chain.
- iii. implement COVID safe practice to then identify and expedite negotiations of trade and travel bubbles with key economic partners. Restrictions must be minimised.
- iv. engaging with the finance industry to ensure exporters continue to have secure and affordable access to trade finance.
- v. enhancing funding assistance to SME exporters to reduce costs associated with exploring new markets and alternative supply chains, including expanding coverage of programs such as Export Market Development Grants Scheme and SME Export Hubs program.
- vi. extending the innovative Seasonal Workers Program beyond its current pilot phase.
- vii. increase international development support to developing country trade partners, so that similar actions can be undertaken on their end. If our trade partners are not growing, we cannot do business with them.

We look forward to working constructively with the Australian Government and other stakeholders in order to assist our fellow Australians.

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¹ <https://www.worldbank.org/en/news/press-release/2020/06/08/covid-19-to-plunge-global-economy-into-worst-recession-since-world-war-ii>