

**PRIME MINISTER**

131/92

**STATEMENT BY THE PRIME MINISTER, THE HON P J KEATING MP****AUSTRALIA-UNITED STATES TRADE AND INVESTMENT FRAMEWORK ARRANGEMENT**

I am pleased to announce that Australia and the United States have concluded negotiations on a Trade and Investment Framework Arrangement, an initiative which arose during the visit of President Bush in January.

The Arrangement will provide a valuable framework for regular high-level consultations with the United States on trade and investment issues. These include export subsidies and import barriers which affect some of our exports to the United States such as beef, sugar, dairy products and steel.

Australia and the United States have a very substantial economic relationship. The combined value of the investment stock each country has in the other is over \$85 billion. For Australia, the United States is our largest source of imports (worth around \$12 billion in 1991) and our second largest export market (worth over \$5 billion in 1991). For the United States, Australia is both a significant market for goods and services and an important destination for investment.

Through its consultative provisions, the Arrangement will help strengthen the open and non-discriminatory trade and investment environment which both countries support.

Conclusion of the Arrangement is consistent with the Government's policy to pursue actively all opportunities to advance Australia's trade interests consistent with Australia's firm commitment to the GATT multilateral trading system and our support for the Asia Pacific Economic Cooperation (APEC) process as an essential mechanism for promoting trade liberalisation in the Asia-Pacific region. Some other APEC countries have concluded similar agreements with the United States.

The Government welcomes the Trade and Investment Framework Arrangement and looks forward to even closer relations with the United States on matters of trade and investment.

CANBERRA  
26 November 1992