

# PARLIAMENTARY DEBATES

HOUSE OF COMMONS  
OFFICIAL REPORT  
GENERAL COMMITTEES

## Public Bill Committee

# TRADE (AUSTRALIA AND NEW ZEALAND) BILL

*First Sitting*

*Wednesday 12 October 2022*

*(Morning)*

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### CONTENTS

Programme motion agreed to.  
Written evidence (Reporting to the House motion) agreed to.  
Examination of witnesses.  
Adjourned till this day at Two o'clock.

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**not later than**

**Sunday 16 October 2022**

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**The Committee consisted of the following Members:**

*Chairs:* MARK PRITCHARD, † DEREK TWIGG

- |   |  |
|---|--|
| † Afolami, Bim ( <i>Hitchin and Harpenden</i> ) (Con)                               | † Holden, Mr Richard ( <i>North West Durham</i> ) (Con)          |
| † Bowie, Andrew ( <i>West Aberdeenshire and Kincardine</i> ) (Con)                  | † Jenkinson, Mark ( <i>Workington</i> ) (Con)                    |
| † Britcliffe, Sara ( <i>Hyndburn</i> ) (Con)  | Lloyd, Tony ( <i>Rochdale</i> ) (Lab)                            |
| † Clarkson, Chris ( <i>Heywood and Middleton</i> ) (Con)                            | † Mullan, Dr Kieran ( <i>Crewe and Nantwich</i> ) (Con)          |
| † Duddridge, James ( <i>Minister of State, Department for International Trade</i> ) | † Qaisar, Ms Anum ( <i>Airdrie and Shotts</i> ) (SNP)            |
| † Esterson, Bill ( <i>Sefton Central</i> ) (Lab)                                    | † Russell-Moyle, Lloyd ( <i>Brighton, Kemptown</i> ) (Lab/Co-op) |
| † Fell, Simon ( <i>Barrow and Furness</i> ) (Con)                                   | † Thomas, Gareth ( <i>Harrow West</i> ) (Lab/Co-op)              |
| Gibson, Peter ( <i>Darlington</i> ) (Con)   | † Vickers, Martin ( <i>Cleethorpes</i> ) (Con)                   |
| † Greenwood, Lilian ( <i>Nottingham South</i> ) (Lab)                               |  |
| † Griffith, Dame Nia ( <i>Llanelli</i> ) (Lab)                                      | Sarah Thatcher, Huw Yardley, <i>Committee Clerks</i>             |
| † Hendry, Drew ( <i>Inverness, Nairn, Badenoch and Strathspey</i> ) (SNP)           |  |
|   | † <b>attended the Committee</b>                                  |

**Witnesses**

Lucy Monks, Head of International Affairs, Federation of Small Businesses

Andy Burwell, Director – International, Confederation of British Industry

William Bain, Head of Trade Policy, British Chambers of Commerce

Leo Verity, Senior Political Adviser, Trade Justice Movement

Chris Southworth, Director, International Chamber of Commerce

John Cooke, Chair of TheCityUK's LOTIS Committee, TheCityUK

## Public Bill Committee

Wednesday 12 October 2022

(Morning)

[DEREK TWIGG *in the Chair*]

### Trade (Australia and New Zealand) Bill

9.25 am

**The Chair:** We are now sitting in public and proceedings are being broadcast. I have a few preliminary announcements. *Hansard* colleagues would be very grateful if Members emailed their speaking notes to [hansardnotes@parliament.uk](mailto:hansardnotes@parliament.uk). Please switch electronic devices to silent. Tea and coffee are not allowed during sittings. I am happy for Members to take off their jackets, if they so wish.

We will first consider the programme motion on the amendment paper. We will then consider a motion to enable the reporting of the written evidence for publication and a motion to allow us to deliberate in private about our questions before oral evidence sessions, although we might not need to do that. In view of the time available, I hope that we may settle those matters formally, without debate. I call the Minister to move the programme motion that was agreed yesterday by the Programming Sub-Committee for the Bill.

*Ordered,*

That—

1. the Committee shall (in addition to its first meeting at 9.25 am on Wednesday 12 October) meet—
  - (a) at 2.00 pm on Wednesday 12 October;
  - (b) at 9.25 am and 2.00 pm on Tuesday 18 October;
  - (c) at 11.30 am and 2.00 pm on Thursday 20 October;
2. the Committee shall hear oral evidence in accordance with the following Table:

Date	Time	Witness
Wednesday 12 October	Until no later than 10.20 am	Federation of Small Businesses; Confederation of British Industry; and British Chambers of Commerce
Wednesday 12 October	Until no later than 10.35 am	Trade Justice Movement
Wednesday 12 October	Until no later than 10.55 am	International Chambers of Commerce
Wednesday 12 October	Until no later than 11.25 am	TheCityUK
Wednesday 12 October	Until no later than 2.15 pm	British Phonographic Industry
Wednesday 12 October	Until no later than 3.05 pm	National Farmers Union; National Farmers Union of Scotland; and Scottish Crofting Federation

Date	Time	Witness
Wednesday 12 October	Until no later than 3.25 pm	Professor Albert Sanchez-Graells, University of Bristol
Wednesday 12 October	Until no later than 3.45 pm	UK Trade Policy Observatory
Wednesday 12 October	Until no later than 4.05 pm	Trades Union Congress
Wednesday 12 October	Until no later than 4.30 pm	Wine and Spirit Trade Association

3. proceedings on consideration of the Bill in Committee shall be taken in the following order: Clauses 1 and 2, Schedules 1 and 2, Clauses 3 and 4, new Clauses, new Schedules, remaining proceedings on the Bill;

4. the proceedings shall (so far as not previously concluded) be brought to a conclusion at 5.00pm on Thursday 20 October.—  
(*James Duddridge.*)

**The Chair:** The Committee will therefore proceed to line-by-line consideration of the Bill next Tuesday at 9.25 am.

*Resolved,*

That, subject to the discretion of the Chair, any written evidence received by the Committee shall be reported to the House for publication.—(*James Duddridge.*)

**The Chair:** Copies of written evidence that the Committee receives will be made available in the Committee Room and will be circulated to Members by email.

We could go into private now, but the indications are that no one wants to. If that is acceptable, we can go straight on to questions and the formal evidence session. We are still sitting in public and the proceedings are being broadcast. Before we hear from the witnesses, Members should make any declaration of interest in connection with the Bill.

#### Examination of Witnesses

*Lucy Monks, Andy Burwell and William Bain gave evidence.*

9.27 am

**The Chair:** The first panel of witnesses is Lucy Monks, head of international affairs at the Federation of Small Businesses, who will appear in person; and Andy Burwell, director at the Confederation of British Industry, and William Bain, head of trade policy for the British Chambers of Commerce, who will both appear by Zoom. I understand that there are some problems with Zoom at the moment, but we will bring the two other witnesses in later. Lucy Monks is present, so we will deal with questions to her. Lucy, will you introduce yourself, before I ask Members if they have any questions?

**Lucy Monks:** My name is Lucy Monks. I am head of international affairs at the Federation of Small Businesses. We represent the UK's small and medium-sized businesses.

**The Chair:** Thank you, Lucy. I remind Members that questions should be limited to matters within the scope of the Bill and that we must stick to the timings in the programme motion that the Committee has agreed. For this session, we have until 10.20 am. I will be strict about the time. I first call Gareth Thomas.

**Q1 Gareth Thomas** (Harrow West) (Lab/Co-op): Ms Monks, thank you very much for being willing to come in this morning to give evidence to the Committee. Will you just say how you think the deals could have been improved?

**Lucy Monks:** The entire free trade agreements?

**Gareth Thomas:** The entire deals—or are they so wonderful that they could not be improved in any way?

**Lucy Monks:** Absolutely not. For a long time, Australia and New Zealand have been areas where UK small businesses have been interested in doing a greater amount of trade, so anything that reduces those barriers and makes those markets more accessible is welcome—not only for access to those markets, but because Australia and New Zealand are useful territories as jumping-off points, especially for smaller businesses that might need to take smaller steps into export support.

The areas in which we would want to see a little more movement have been around the movement of people, in essence. We think that there is scope for further discussions with both Australia and New Zealand about moving skilled workers in and out of the UK—lending our skills to those markets, and vice versa.

**The Chair:** I remind Members that questions must be in scope—they have to be about the Bill, not the general issue of trade.

**Q2 Gareth Thomas:** Thank you for that opening answer, Ms Monks. On procurement, the Government have sold us the idea that there will be £10 billion in new procurement opportunities from the Governments of Australia and just under £800 million or so in new opportunities from Government contracting in New Zealand. Do you think that there will be a huge rush from the British small business sector to take advantage of those opportunities?

**Lucy Monks:** I think the rush will come as far as people are able to be encouraged into those markets. Again, it is useful progress, but it is the implementation that matters. Small businesses have problems accessing public procurement in the UK as it stands, because they find it technically difficult. They obviously do not have the ability to take the same kind of risks as larger businesses. They might not have the technical departments, lawyers or whoever might support them through that process. That is in the UK, which means that small and medium-sized enterprises are basically underserved in the UK procurement processes as well. Those issues need to be addressed if we are to get UK small businesses into Australia and New Zealand as well.

First, SMEs have to understand the opportunities, which have to be made as clear as possible. The scope of the Bill and of the FTA makes it clear that measures have to be put in place to open up transparency, so that small businesses are more aware of the opportunities in front of them, but we have to wait for those things to happen to know how successful they will be.

I am cautiously optimistic. There are small businesses that are working very successfully, but obviously public procurement is just one part of the regime. There are construction businesses, architects and engineers working very successfully to deliver public projects in both Australia and New Zealand, usually because they have a particularly

niche skillset that they can provide to those markets—for example, they are experts in delivering railway stations or bridges, with a particular set of expertise that those countries might not have the skills base for. It is about enabling a bigger basis of those businesses to take advantages of potential opportunities and to understand them.

**Q3 Gareth Thomas:** I was going to ask whether anyone from the Department for International Trade, straight after the Australian or New Zealand FTA was signed, said, “Okay, we need to sit down with you, Federation of Small Businesses, to work out together how we maximise the opportunities for British businesses.” Have you had those conversations?

**Lucy Monks:** We have, yes—

**Gareth Thomas:** Or has a unit in the Department for International Trade been set up to support you?

**Lucy Monks:** We are having those conversations. I think there is more focus on it, because International Trade Week is coming up soon. The Department for International Trade has been talking to us and other bodies about encouraging opportunities. It is an ongoing process, because the Australia and New Zealand deals are very new in the context of the UK, so it has to be an ongoing process in which businesses are also able to feed back and to say, “This is working”, or, “That isn’t working.” There has to be a degree of flexibility, because we do not want to be landed with a product that essentially does not improve with time. But the Department is talking to us lots.

**Q4 Drew Hendry** (Inverness, Nairn, Badenoch and Strathspey) (SNP): Thank you, Lucy, for coming here in person and enabling us to keep going. What is the view of the FSB of the fact that implementing legislation is being introduced for the New Zealand free trade agreement before Parliament has had an opportunity to debate the agreement under the Constitutional Reform and Governance Act or CRaG provisions?

**Lucy Monks:** If it is a matter of process for Parliament, I guess you will have discussions with relevant Ministers about your concerns about scrutiny. There is always a point at which it is useful for us to be able to be part of those conversations. The more information that is available to us and the public, in general, and that we are able to feed into, the better.

**Q5 Drew Hendry:** To follow on from that, do you feel you have had enough information about this free trade agreement before it has come to this stage?

**Lucy Monks:** In all honesty, we have had extensive conversations with the Department for International Trade. We have also given evidence to your colleagues on the International Trade Committee. I feel that we have had the opportunity to have thorough conversations. In all fairness to colleagues at the Department for International Trade and the civil servants leading on it, they have been proactive in engaging and pursuing those conversations for a number of years. I have been doing this job for only six months, but I was doing a similar job at a similar organisation before this and we engaged quite extensively with the Department there.

**Q6 Drew Hendry:** I have one final question on that subject. You said you have had extensive engagement. Do you think it is right that it has come to this stage without the parliamentary scrutiny I have mentioned?

**Lucy Monks:** I think the process issue is one for you to take up with your colleagues. It is obviously critical because this is new and, as I said, there has to be a feedback process. However, the way in which you and your colleagues across Government and Parliament interact is one for you, I think.

**Q7 Dame Nia Griffith (Llanelli) (Lab):** In the past, there has been criticism from some in your organisation that there was no SME chapter in the treaties. Do you feel that the Bill provides sufficient protections and the mechanisms that you would wish to see to give that ongoing support to small businesses?

**Lucy Monks:** Yes. There are SME chapters in the Australia and New Zealand agreements. If we had a concern with the Bill and the issue around procurement, it would be that, as I said, small businesses tend to be cut out of the procurement process even in our own country, so both the FTA and anything that impacts procurement legislation need to be done in a way that supports small businesses. I am not as concerned about competition from Australian and New Zealand small businesses as I am about the ability for larger businesses to take opportunities that could be sitting there for smaller businesses.

Separate from that, for a long time there was a conversation between various Government Departments about trying to improve the central Government procurement system, not only for small businesses, but generally in its ability to encourage greater social value through public spending, basically. A couple of years ago, the Government finally published a social value model, part of which is supposed to be about encouraging engagement of small businesses both in the direct procurement system and as part of that supply chain. Obviously, larger businesses can go and bid for contracts, but they kind of have to promise that they will engage with x, y, z number of small businesses in delivering bits and pieces.

The Government have promised to keep monitoring how that model is implemented. I would ask that we keep monitoring how these measures are implemented in terms of both the ability for small businesses to actually access those procurement markets in Australia and New Zealand, and the impact of larger businesses that are going forward and trying to procure those projects and their ability to bring along UK small businesses as part of the process.

**Bill Esterson (Sefton Central) (Lab):** Good morning, Lucy. You talked about the potential challenge of larger Australian and New Zealand businesses winning UK Government contracts. Is there anything in the legislation you would like to see amended to support small UK businesses in winning Government contracts when facing that international competition?

**The Chair:** Lucy, just before you answer I should say that we have now been joined by Andy Burwell and William Bain. We have had a few technical problems, but welcome to you both. Will you please introduce yourselves briefly to the Committee?

**Andy Burwell:** Apologies, everyone, that I am not there with you—I have had a few childcare issues this morning. I am Andy Burwell, international director at the Confederation of British Industry. My team covers everything from trade to foreign policy, national security and, increasingly, supply chains.

**William Bain:** Good morning, Chair and Committee. I am pleased to be with you this morning. I am William Bain, head of trade policy at the British Chambers of Commerce.

**The Chair:** Thanks very much. Lucy has been holding the fort and was just about to answer Bill Esterson's question, if she has not forgotten it.

**Q8 Bill Esterson:** Let me repeat the question so that the other witnesses can address it, too. Lucy made a point about the concern about larger Australian and New Zealand businesses winning Government contracts in the UK. I asked her what kind of amendment might be made to the legislation to support smaller UK businesses—to which we can add larger UK businesses, as you have both joined us—as a defensive measure in respect of UK Government procurement.

**The Chair:** We will take Lucy first as she was asked first.

**Lucy Monks:** Under the terms of the FTA, I guess we cannot be too defensive; otherwise, we will slightly defeat the point of what we are trying to achieve. I am sorry to bore on about this, but there are ways that small businesses can be encouraged to take opportunities that are available to them. For example, the Department for International Trade could support the implementation of, say, the small business chapter or the procurement chapters, where there is a clear push for the degree of information and support that would be needed for businesses to compete on an even keel. At the moment, small businesses are not even competing on an even ground.

**The Chair:** William, do you want to add anything to that?

**William Bain:** We are obviously aware of the interplay between the Government procurement agreements at World Trade Organisation level and the different FTAs that have been and will be signed. Our view would be that some of the issues are probably best sorted through the joint committee apparatus that will be created once these two FTAs come into effect. We can then examine, in a sort of full way, how things are operating for small businesses here and for their counterparts in Australia and New Zealand. Of course, we also have the ability to raise issues under the Government procurement agreement, should they arise, at Geneva. We would see those options as the best means to try to resolve any issues. Overall, we want to see the agreements ratified as quickly as possible.

**The Chair:** Andy?

**Andy Burwell:** I hope you gave Lucy all the difficult questions on procurement while she was sitting there with you.

From speaking to our members about these free trade agreements and procurement, which I presume this specific line of questioning relates to, we know that they are broadly content with where the FTAs are. They

are very supportive of a competitive public sector market in principle—one based on quality, cost and value, and innovation. Increasing the competition in the market drives British firms to be more innovative, to have better quality and to drive better value. Also, the Government's social value commitment ensures that anybody who wins a contract for goods or services in the public market contributes to the UK economy, which is an important principle.

Our members are very conscious that the vast majority of companies that win contracts in the UK are either EU participants or EU-headquartered companies or UK-headquartered companies, with the large majority having presence in the UK, so in general our members were not concerned about the provisions or the Bill's impact on their ability to win contracts in the UK.

**The Chair:** Mr Esterson, have you finished your questioning or do you have further questions?

**Bill Esterson:** No, that is fine.

**The Chair:** I call Lloyd Russell-Moyle.

**Q9 Lloyd Russell-Moyle (Brighton, Kemptown) (Lab/Co-op):** I have heard some concern about the unequal nature of procurement with public contracts. Companies from Australia are able to have all the rights at a local and devolved level, but that is not necessarily afforded to our companies at a state and local level in Australia. Do you have views on what measures might be taken to rebalance that and ensure that, whatever the access is, it is the same?

**Lucy Monks:** The point that William made about the potential to address these issues in future forums is really important. We should make clear what is and is not possible. If you go through the annexes to the Bill and the agreement, there are obviously quite a lot of bits that are scoped out because of the more federal system in Australia and New Zealand. It is a matter of seeing how far we can progress these things and address them further down the line through the appropriate forums.

**Q10 Lloyd Russell-Moyle:** So you are not in favour of any changes to the Bill or the trade agreement that would give those protections from day one? You think these things can be worked out as we go along?

**Lucy Monks:** Yes.

**Lloyd Russell-Moyle:** What about the other two?

**William Bain:** Again, our response would be that trade deals tend to unfurl once they are ratified. We have strong joint committees set up under the agreements to look at implementation. We have just taken part in recent implementation discussions around the EU-UK trade and co-operation agreement, so they are very rigorous indeed. The committees have the ability to make clarifications and small improvements that do not change the overall text but can provide greater context about what the text actually means. At this stage, it is unlikely that we will be able to amend a closed agreement with Australia and New Zealand, but through the joint committee apparatus and the engagement that you as

Members of Parliament will have with your colleagues in Australia and New Zealand, you can secure further clarifications that might lead to some of the changes that you are seeking.

**Andy Burwell:** Just to add to that, there is an important principle that will be a running theme throughout today's discussion, which is that free trade agreements are only one means of achieving market access. Although at a national level, there is reciprocal access for procurement, there needs to be greater clarity at a federal level. Equally, there are opportunities and means of gaining access in Australia and New Zealand outside the free trade agreement process, through the market access work that DIT regularly does. Industry and the Government need to continue to work with our counterparts in Australia and New Zealand to seek greater opportunities between the nations.

**Q11 Lloyd Russell-Moyle:** The Bill allows the Secretary of State to make regulations when they wish, not necessarily when required. That gives them a bit more scope and does not require them to lay the regulations for a vote in the House, which gives more time for you to hear about them. They can just lay them through the negative procedure, and they usually become regulations without much fanfare. Is that an adequate way to announce regulations and allow the discretion of the Secretary of State? Or would you want a stronger consultative process, or a vote, or a restriction on what the Secretary of State can do that is a bit more written down?

**Lucy Monks:** I guess that is always a concern with these kinds of processes. An opportunity to feed in if changes are made would be great. I know there is sometimes a need to move quickly to change regulations, but the opportunity to feed back into that process is obviously always welcome. That does not even have to happen within the context of what happens through a parliamentary scrutiny process; there can be conversations with the Department and parliamentarians, too.

**Lloyd Russell-Moyle:** But a requirement for the Secretary of State to consult before regulations are made might be useful.

**Lucy Monks:** Yes.

**Lloyd Russell-Moyle:** William and Andy, do you have any views on this?

**William Bain:** The maximum consultation with business and other stakeholders is important when important regulatory changes are being made, so we would encourage the greatest possible transparency from the Government in that respect. In relation to whether things are done through the negative process or the affirmative process, those will be issues for you as lawmakers to address. I am aware that if this Bill becomes an Act, it will be replaced by the Procurement Bill in due course, so there will be another opportunity to revisit this issue if it is considered that the legislative processes around order-making are ripe for improvement in some way.

**Andy Burwell:** Much like William, I am going to say that the decision about whether the negative or affirmative procedures are used and the processes in the House are for you to discuss and debate. In terms of business consultation, I have no doubt that if the Secretary of State and the Department deem it necessary to make

further changes, they will consult with industry, and we would encourage them to do so in depth. Given the existing discussions, I have no reason to doubt that that would happen. The key thing is that if changes are made, industry is notified in a timely fashion, there is clarity as much as possible, and the changes are communicated clearly to all parties to enable them to utilise whichever provisions are changed, as well as prepare for them.

**Q12 Lloyd Russell-Moyle:** Do those things need to be on the face of the Bill? In respect of a requirement for the Secretary of State to have consulted business and industry beforehand and to have given a certain amount of pre-warning that changes are being considered, are you confident that that will happen anyway, whether under the current Government or whichever future Government come in? Would you prefer something to be on the face of the Bill to outline that process?

**Andy Burwell:** I am broadly content with where we are. I do not think a specific process necessarily needs to be set down in legislation because, as we all know, the world changes and in future we may need to have a process different from what we have right now. We should not hamstring ourselves with a particular approach in this legislation.

**Lloyd Russell-Moyle:** Thank you.

**Q13 Gareth Thomas:** I am sure that the three of you have had as much difficulty as I have had in keeping up with the ministerial changes in the Department for International Trade in recent months. One former Exports Minister said that he was unhappy with the level of support given to British exporters by the Department; do you share that assessment, or do you think he was just upset about something else when he made those comments?

**Lucy Monks:** Basically there needs to be more done to help businesses—especially small businesses—export. There is so much potential with the kind of businesses we have in this country and the kind of markets that might be able to open up to us. We are entering into a new world. We have had conversations with the Department for International Trade over the export support service, which is meant to cover the EU and basically help businesses find their way through the new relationship. Has that worked as well as it could have done? Has it been as targeted as it could have been in the level of support? Not really, but the Department has promised and is in the process of introducing a new system that is supposed to address some of the concerns we have levelled, such as providing detailed information in a way that is accessible to small businesses, rather than just pointing to bits of the Government website, which is what was happening before.

We need to keep working in the direction we are talking about and trying to improve the availability of those kinds of services, while also looking at, for example, new ways of working with the FSB or DIT to encourage more people to understand and to export. We would be happy if that were to continue. There are so many different things that will have to happen to encourage businesses, and especially small businesses, to think about exporting if they are not doing it already, or to

export into new markets if they are unfamiliar with exporting to Australia and New Zealand, because the cost and the risk can potentially be so high. We all need to work together to ensure that that can take place.

**Q14 Gareth Thomas:** Can you flesh that out? It sounds like you think the regime is not very good at the moment. You said that the export support service was just pointing people to a website, and you implied that businesses face a lot of difficulties that are not being picked up and addressed by Government.

**Lucy Monks:** I am the head of international affairs at the FSB, so I always think that more could be done to help exporters enter into new markets. I do not want to take up the Committee's time by running through a list of things, because there are so many things—for example, helping businesses mitigate some of the financial risks that they might face, because there are broader benefits to the UK economy if we can get those businesses into those new markets in the first place; providing the right kind of information; encouraging larger businesses to bring smaller businesses along with them; and doing more to allow for market access support. There is so much more that can be done, and we want to ensure that it will be done. If you want to have another conversation about all those things, I would be thrilled to have that conversation with you and with colleagues in DIT.

**The Chair:** May I remind the Committee to make sure that questions are within the scope of the Bill?

**Q15 Gareth Thomas:** Thank you for getting me back on the straight and narrow, Mr Twigg. In terms of mitigating the risk, one of our later witnesses, Professor Sanchez-Graells, suggested in evidence to the International Trade Committee that there were likely to be some additional legal risks for businesses trying to win Government contracts in Australia and New Zealand. Is that the type of risk that you worry about or not?

**Lucy Monks:** It is not the only type of risk, but it is a very clear risk—again, especially for smaller businesses that do not necessarily have the experience or the access to the legal departments and trade departments that larger businesses have. The points he raised need to be looked at and addressed for the sake of legal clarity, because he brings up some interesting points.

**Gareth Thomas:** I wonder if Mr Bain or Mr Burwell have a view.

**William Bain:** In terms of the question about the export capacity of these two trade agreements, we would see the case for a refresh of the export strategy. We think that some elements of it have worked well, so it is a case of examining and rocket-boosting those but also leveraging what business groups and other trade bodies do collectively, in terms of turning what are otherwise dry legal texts into growth-generating instruments for our export companies. In the chambers network we have particular strengths in trade promotion and trade facilitation. We are doing the paperwork that makes international trade happen.

In the other business groups and trade bodies, we all have expertise that can be leveraged with what the DIT is providing, to ensure that we get more exports from



agreements such as the two that we are considering today. It is more of a refresh than to discard the export strategy. That seems to us to be the best way forward with both these agreements.

**Andy Burwell:** I will jump in off the back of that. Thank you for the question, Mr Thomas. I am probably going to have a slightly more positive tone than Lucy and William. The export strategy did take a step forward. The 12-point plan was broadly welcomed by business. If we look ahead for these two agreements and put them in the context of these two free trade agreements, as William said, to a degree it is about utilisation. It is about how industry and Government can work together to really push that utilisation. Due to covid and other reasons, we have had a dearth of trade missions and support from Government for trade missions. There now needs to be a really concerted effort to get out, shout about the UK and excellent goods and services and get British business thinking about travelling overseas.

Under the Trade Act 2021, His Majesty's Revenue and Customs has an excellent dataset of British exports, which at the moment the Department does not leverage as it could or should. Giving the Department the ability to use that alongside business groups, as part of the approach to encouraging and promoting exports, would be a real opportunity for the Department and industry.

The final point I would make is the importance of continued work between industry and Governments on market access. The issues do not stop at the signing of an FTA and its ratification. There needs to be continual discussion between Departments in the UK and in post about market access issues and non-tariff barriers that we can work on together to further the opportunity for growth.

**Q16 Gareth Thomas (Harrow West) (Lab/Co-op):** I wonder if I can push you, Mr Burwell. The CBI represents some of the biggest businesses in Britain that export to Australia and New Zealand. You will be aware of the evidence given to the International Trade Committee by Professor Sanchez-Graells, suggesting that there were some serious risks of regulatory chill—I think that is the phrase he used—from the remedies available to business if contracts, as they perceived it, were unfairly tendered and put them at risk. Those remedies are not available in quite the same way as they are in the European Union or in other jurisdictions. Do you share that concern, or do you think he is exaggerating?

**Andy Burwell:** From his perspective, from a technical point of view it is accurate, but it all depends on how the new access is used and what the experience will be. I think we will have to wait and see whether those concerns come to the fore. It is hard for me to judge right now whether they are correct.

**Q17 Gareth Thomas:** Just to push you a little further, if I may, presumably you are enthusiasts for the WTO government procurement agreement. He appeared to be saying—we will have the chance to push him further on this in the evidence he gives this afternoon—that the UK-Australia FTA appears to undermine the GPA and that the comprehensive and progressive agreement for trans-pacific partnership, which potentially will succeed the piece of legislation that we are debating, will also undermine the GPA. Would that be of concern to the CBI, or are you fairly relaxed about it?

**Andy Burwell:** The professor will be much more the procurement expert than me. Speaking to members about these two agreements specifically and whether they had any concerns about the Procurement Bill and its powers, in the grand context of the changes that the Procurement Bill is making and the reforms within it, in a way these pale into insignificance. They are very minor in the grand context of that Bill. In broad terms, our members felt that they would be positive for industry.

**The Chair:** If there are no further questions, I thank the witnesses for their evidence. We will move on to the next witness.

### Examination of Witness

*Leo Verity gave evidence.*

10.15 am

**The Chair:** We will now hear oral evidence from Leo Verity, the senior political adviser at the Trade Justice Movement, who is appearing via Zoom. The session will last until 10.35 am. Could the witness introduce themselves?

**Leo Verity:** Good morning. My name is Leo Verity. I am the senior political adviser at the Trade Justice Movement. We are a network organisation that represents around 60 non-governmental organisations and trade unions, and we work on issues around trade rules, including trade democracy and scrutiny, which is something I would like to focus on this morning.

**Q18 Drew Hendry:** You will be aware that the scope of this session is very limited, but what is the view of the Trade Justice Movement about the fact that the implementing legislation is being introduced for the New Zealand free trade agreement before Parliament has had the opportunity to debate the agreement under the CRaG provisions?

**Leo Verity:** Yes, that is a problem with the trade scrutiny system we have and the parliamentary processes we follow. There are major inconsistencies with the way the Government are approaching parliamentary scrutiny, so it is maybe worth touching on some of the problems we saw during the Australia ratification period. You will be aware that the 21-day CRaG period took place before summer recess, so Parliament has officially given its consent to that agreement.

Parliamentarians had major problems during that period with trying to secure parliamentary debates in the Commons. In the end, an urgent question that was tabled was the only opportunity for parliamentarians to debate the Australia agreement. Now we are in a situation, as you say, where New Zealand has not been through that process. There is a question here about what chronology Parliament should be following. It seems illogical that we are talking about legislation implementing an agreement that Parliament has not yet given its consent to, and that is probably a reflection of the way in which the Government view the CRaG process. Given that the Australian CRaG process was so fast that it was difficult to get meaningful scrutiny, I think that debating and implementing the legislation on New Zealand at this point implies that the Government are not expecting any further meaningful scrutiny of the New Zealand agreement in the CRaG period.

We would like to see consistency, and the logical standpoint should be that Parliament should approve these treaties through the CRaG process before Parliament discusses the legislation needed to implement them for future agreements. I certainly think that consistency is the key thing we need to see for future agreements.

**Q19 Drew Hendry:** Do you think that has led to a deficit in the ability of organisations such as yourselves and others to communicate with MPs to ensure that issues are raised in a timely manner and through a proper process, so that people can see publicly the scrutiny of such an important piece of legislation?

**Leo Verity:** I think so, yes. In truth, I think that awareness of the ratification process for Australia among not only the public but parliamentarians was extremely low, given the way it was snuck through, really, before the summer recess without meaningful notice of when it would be coming. I have seen that the new Secretary of State has made a commitment that for future agreements there will be at least 10 sitting days between the Government's final report on trade agreements—the section 42 report—and the triggering of CRaG. That is less than the ITC requested—they wanted it to be a 15-day period—but at least it is some kind of structure that we can work by, so there is something about how these processes are supposed to work. But given that we saw that the CRaG process for Australia was so unfit for purpose, I certainly think it needs reform for future agreements.

**Q20 Gareth Thomas:** Just to pursue that area of questioning, we hope to table amendments that will improve the scrutiny of what comes out of the Bill. Talk us through what you understand about the way that both Australia and New Zealand, or other jurisdictions, scrutinise their free trade agreements, which might be an improvement on the process we currently have here in the UK.

**Leo Verity:** In terms of Australia and New Zealand, I know that in Australia the treaty is in front of joint committees that are constituted to properly scrutinise the agreement line by line, which is certainly more thorough than what we have. I think that is a relevant point about the Australia timeline. It is another question about why CRaG was rushed through for the Australia agreement prior to the summer recess, given that in Australia the treaty is done in front of a committee and then the implementing legislation will come forward, so there was certainly no rush for that happen.

In terms of other scrutiny processes to learn from, it is worth pointing to places such as America and the European Union, where there seem to be more meaningful scrutiny opportunities throughout the whole process of negotiation. For example, in America negotiating objectives come before Congress; that would be something that we would really welcome. As it stands, Parliament has no opportunity to debate the negotiating objectives that negotiators take forward. There are also more meaningful opportunities for legislators to see texts during negotiations; again, at the moment, parliamentarians do not see negotiating texts at any stage of the process. We would argue that it would be beneficial for the International Trade Committee to at least have a view of the negotiating text during the process. Finally, there will be guaranteed votes and debates on the content of trade agreements after signature; that is the big omission that we saw with

the Australia CRaG process. The International Agreements Committee was debated in the Lords, but the International Trade Committee and the Liaison Committee pushed extremely hard for an opportunity to debate the Australia agreement, which was not forthcoming. In the end, an MP tabling an urgent question provided the only opportunity to debate the agreement, but there was still no vote on its content, which is something that happens elsewhere.

Finally, and linked to that, CRaG allows for parliamentarians, in lieu of a vote, to pass a motion against resolution. There is no opportunity to amend the text or anything like that. Even that motion, as I understand it, would just delay ratification rather than resolve against it. Given that there is no precedent, it is not completely clear what form that motion would have to take for parliamentarians, so it seems that ultimately there is no meaningful way for parliamentarians to express dissatisfaction with the trade agreements that our negotiators are coming back with. I think that is a problem.

**The Chair:** Can I remind everybody to stick to the scope of the Bill? A lot of the debate is very relevant, but please keep that in mind, in both asking questions and answering them.

**Q21 Bill Esterson:** Good morning, Leo. On the points you were making, the Bill is the implementation of the agreement; is there anything we can do by amending the Bill to address concerns we may have about what is in the free trade agreement?

**Leo Verity:** In terms of amending the content of the agreement, as it stands I do not think so. One of the things we would be concerned about with the Bill in particular is that it is going to entrench some of the failures we have already seen in the scrutiny process. For example, we submitted written evidence, alongside the Public Law Project, that talks about the fact the secondary legislation brought in under the Bill will be subject to the negative procedure, and how that compounds the overall scrutiny deficit. There will be no opportunity for further regulations to be brought in to implement the procurement chapter. There will be no opportunity to debate those statutory instruments, which I think is a problem.

This Bill is a vehicle for debating the agreement in the round. We had concerns that the Secretary of State said, in a session with the International Trade Committee during the CRaG process, that the process of implementing legislation was an opportunity to discuss the content of the Bill; we do not see how that is the case. I have spoken about the scrutiny context, but given how narrow this legislation is, and given that it focuses on one specific chapter of the agreement—the procurement chapter—there is no meaningful scope for that further debate. The thing that I think could be done with the legislation would be to ensure that our treaty scrutiny deficit is not furthered, by ensuring that regulations brought in under the Bill will be debated. There is nothing to reopen the content of the agreement.

**Q22 Bill Esterson:** You mentioned your concern about the negative procedure. I think by implication you were saying you would like to see that replaced with an

affirmative procedure. What other concerns about the Bill do you have that you think we might want to address and attempt to amend?

**Leo Verity:** I have a couple of minor points on that, which, again, are covered in the written evidence that the Public Law Project did some fantastic work on. Some of the powers in clause 1 are not constrained by any kind of necessity test. I believe the wording is that regulations can be made where they are considered appropriate. I think that could potentially be problematic.

I know that concerns have also been expressed by the devolved Governments about the content and powers in the Bill. The Scottish Parliament has passed a legislative consent memorandum against the Bill on the basis that UK Ministers would be able to make further regulations without the need to refer back to Scottish Ministers. In addition to that, there are also some concerns expressed that there would not need to be further consultation with Scottish Ministers if the agreements were altered in the future. The Scottish Government have pointed out that that is a strange thing to include, given that the agreements have just been signed and this legislation will ultimately be superseded by the Procurement Bill that is with the Lords at the moment. Those are some of the areas that refer to treaty scrutiny and ensuring that any powers brought in under the Bill can be subject to proper scrutiny.

**Q23 Bill Esterson:** The Procurement Bill will repeal the provisions of this Bill. Given that the ratification of the FTAs is likely to be months away, why do you think the Government introduced this Bill separately?

**Leo Verity:** It is a good question. It also goes back to the point about the timelines for the Australian ratification of the agreement from their side. As far as I can infer, it is because the view is that this legislation can be passed quickly, and it is anticipated that the Procurement Bill will last for a long time. It often seems to be the case in the passage of these trade agreements that the Government have a tendency to impose arbitrary deadlines on themselves. We see it with the UK-India free trade agreement at the moment: we are two weeks away from the deadline that the Government imposed on themselves to come back with an agreement. That has been subject to criticism from ourselves, but also from lots of business groups and others.

There is no reason to be hasty in these agreements. These are new, from-scratch and comprehensive agreements, and as far as I can infer this legislation is in place so that the agreements can be signed off more quickly. That is what we have seen reflected in the scrutiny processes: there seems to have been a rush where none was needed. People on all sides of the argument accept the principle that more scrutiny is worth while, but that is all that I can read from it. Whether it is a good use of parliamentary time for this Bill to be debated in detail before being superseded by the Procurement Bill, I am not altogether certain, but that is an open question.

**The Chair:** I should just say that the session will finish at 10.35.

**Q24 Lloyd Russell-Moyle:** It is good to see you again, Leo. We have seen you a few times in the International Trade Committee and at the WTO last week.

The Bill allows the Secretary of State to make regulations in a relatively broad way. First, do you think it would be useful to restrict more tightly what the Secretary of State can make those regulations on? If so, how? Secondly, would it be useful to include on the face of the Bill a requirement to consult with stakeholders and non-governmental organisations, or even with the advisory committees and standing committees that already exist in the Department, and/or the International Trade Committee, which as we know was treated appallingly by the Department under its previous leadership?

**Leo Verity:** Absolutely. That would be extremely worthwhile. We have talked about the parliamentary processes, but there are lots of big problems with the kind of consultation that has been available for civil society and for business organisations. We have certainly found it difficult to have those opportunities. Groups do exist—advisory groups, as you mentioned—that we take part in, and others within the Department for International Trade, but sometimes it is difficult to see the outcomes of the first discussions and, as you said, the relationship between the Department and the ITC has not been good enough either. It would be good to have some kind of meaningful mechanism for proper consultation with Committees, the public and also devolved Governments, which have been sidelined.

In response to your first point, on restrictions on what the Secretary of State can do, I think that would be worth while. I mentioned that the wording we were concerned about in the Bill was about regulations being made where considered appropriate; I am not an expert in procurement and I do not know what the intentions of the Government are in terms of the specifics of the regulations, but some kind of constraint on that language would be extremely helpful.

**The Chair:** We do not have time for any further questions so, on behalf of the Committee, I thank the witness for his answers.

### Examination of Witness

*Chris Southworth gave evidence.*

10.35 am

**Q25 The Chair:** We will now hear oral evidence from Chris Southworth, secretary general at the International Chamber of Commerce, who is appearing via Zoom. We have until 10.55 for this session. Can the witness please introduce himself for the record?

**Chris Southworth:** Good morning everybody. It is a great pleasure to be here; thank you for the invitation. My name is Chris Southworth. I am the secretary general of the International Chamber of Commerce here in the UK. I am also the co-chair of the legal reform advisory board at the ICC digital standards initiative in Singapore and the ICC representative to the Commonwealth, so I am pretty well plugged into the digital trade agenda and very supportive of the Government's efforts, in its trade negotiations, to develop and drive forward new digital trade corridors with commitments to reform laws and remove legal barriers to the handling of key documents and paper forms. The Australia and New Zealand agreements were the beginning of that process, if we look back in time.

There are a few points that I would like to make here. The first relates to the time of the negotiations; these were the first after the EU roll-over deals. Of course, the world has moved on quite significantly since then, and you can see that through the UK-Singapore digital economy agreement.

In terms of the context of the agreements, the Australia and New Zealand agreements are what we call a minimal requirement; they have got the basics, but they are not the gold standard, which is the digital economy agreement with Singapore. However, they are perfectly sufficient for us to modernise trade systems, remove all paper, enable our platforms, systems and processes across the public and private sectors to go fully digital and paperless, and, importantly, standardise those processes. All of those are key barriers to the digitalisation of trade, so this is quite an exciting opportunity.

I should mention that, although the value and volume of trade with both countries is relatively small in the UK context, this is about positioning in Asia. That is an important piece of the way we need to look at these agreements. This is about the UK preparing the ground to be closer to the Asia space and closer to relationships with the likes of the CPTPP. This was one of the first stepping stones towards that overall objective, which is the right objective; I do not think there are many people out there saying that is the wrong thing to do. Obviously, we are now in CPTPP accession negotiations, so we have moved on considerably. This is step one.

In terms of the context of the agreements—

**The Chair:** Order. Sorry, Mr Southworth. This is very useful information and we are very grateful, but we need to move on to questions. I will ask Gareth Thomas to start the questioning, and I am sure you can add what you need to add at that point.

**Q26 Gareth Thomas:** You have helpfully touched on CPTPP, which is obviously going to supersede the Australia and New Zealand FTAs. Do you have any concerns that the CPTPP might take away things in the Australia and New Zealand FTAs that are good and should therefore stay on the statute book? Or will the CPTPP just allow us to get closer to the Singapore digital agreement vision that you just described?

**Chris Southworth:** Others may have comments on that. I am looking at this through the lens of the digitalisation of trade, and I do not think there is any conflict there at all. I think the two things are quite complementary, so we are not concerned by that. There has been no discussion raising those sorts of concerns in any of the networks we are involved in. I hope that answers your question.

**Q27 Gareth Thomas:** Okay. Let me pick up another area. Do you see the Australia and New Zealand FTAs as offering lots of scope for small businesses, or are they to win Government contracts, or are they more likely to be for much bigger businesses to take advantage of?

**Chris Southworth:** I think we would all hope that it is opening up opportunities for everybody. SMEs are obviously crucial. It is great to have the big companies using these deals, but ultimately most traders are SMEs, and those are either operating within supply chains or operating independently. I hope that small companies

across the UK look at this as a great opportunity to increase their trade with another part of the world—Australia and New Zealand in this context.

**Q28 Gareth Thomas:** One of the former Ministers at the Department for International Trade suggested that the Department was not doing enough to help SMEs to export. Do you share that judgment or is everything rosy?

**Chris Southworth:** I would not say it is rosy. You only have to look at the trade figures to see that. There is a range of issues here. If you look at it in the context of digitalisation of trade, it is not as simple as just putting an agreement in place and then expecting it all to happen, which is exactly why we have created the Centre for Digital Trade and Innovation. We need to help industry understand what systems and processes they can use to make trade simpler, cheaper and faster. That is the big opportunity in terms of digitalisation, and that has to be a joint effort. The Government are doing a stellar job in that area. In fact, we are leading in the world on that. Lots of other countries are looking at what we are doing. So there is no issue there in my view.

If there is an issue, a question that I would pose is around the practical model of export support. We are the only big nation that delivers B2B support through Government. Every other major exporting economy works in partnership with the likes of chambers of commerce. This is a great point to reflect on whether we have the right model or whether we could be leveraging the private sector far better. I would argue, having been in government myself, in what used to be UKTI, and looked at exactly these issues, that you do not have to spend very long with other countries—Japan, France, Germany or anywhere else—to see that if Government can streamline and really focus where it adds value, which is more in Government-to-Government negotiations, Government-to-business on the big strategic opportunities where the Government are required, and then in partnership with business on the B2B support, that works exceptionally well. It is very efficient. You can mobilise whole value chains into markets on a whole different level than we can in the UK. That is a huge opportunity and is something that should be reflected upon and debated—whether we have got the right model or whether we can do that in a better way.

**The Chair:** It is important that we keep within the scope of the Bill.

**Q29 Gareth Thomas:** Thank you, Mr Twigg. Mr Southworth, we are obviously interested in the extent to which the Government are going to provide support to businesses to export to Australia and New Zealand. We have been struck by the decision, which you allude to, to take money away from the British Chambers of Commerce to help businesses export to Australia, New Zealand and elsewhere. If we are lucky enough, I hope to table an amendment to allow more debate on that issue. Are you absolutely clear in your mind that it was the wrong decision by the Government to take that money away a year ago, or do you think there were good reasons to do so?

**Chris Southworth:** Like I say, I have been around this particular discussion for many years now, both in government and outside government. I personally think it was the wrong call. I think we can do it better. There

are lessons to learn from others—particularly the Japanese model. The Japanese chamber of commerce operates like we do, with a voluntary membership model, but it has legislation that provides legal certainty, meaning that it can drive in investment over the long term. That is what we too need to do in the private sector, to make sure we have the right capabilities. It has a really effective relationship with METI, its DIT equivalent.

I personally think we can do this better, and we can do it more efficiently. Ultimately, trade is a business activity. Governments do not trade; businesses do. When a company picks up the phone and asks for advice, it wants business advice from people who do this stuff day in, day out, and it wants proper advice quickly on what to do and what not to do. That is a far more efficient way of doing that B2B piece than it is coming from Government, where you are naturally restricted. On top of that, you are constantly chopping and changing with contracts and different approaches. All that does is create more and more uncertainty, and you cannot build for the long term. We need to build for the long term. There is a big opportunity to do this much better, and I would strongly argue that that has definitely got to be the way forward, but it needs more debate from all those involved.

**The Chair:** Can I remind you again that, in both questions and answers, we must stick to the Bill and not debate the wider policy?

**Q30 Gareth Thomas:** Absolutely—thank you, Mr Twigg.

One of our later witnesses is a gentleman called Professor Sanchez-Graells, who gave evidence to the International Trade Committee on some of the legal issues relating to remedies for businesses that feel they have been unfairly treated in a tendering process. If I have understood his evidence correctly, he argues that the remedies available under the UK-Australia FTA are worse for businesses that have been treated unfairly than those available under deals we have done with similar countries, such as the EU and New Zealand. As a result, there might be regulatory chill—it might put businesses off bidding for Government contracts in Australia. Is that something that you worry about? If his evidence suggests that there is a serious issue, do you think the Government would need to address it quickly?

**Chris Southworth:** To be honest, I would defer to others to advise on that. Obviously, the trade remedies framework is very important, for all the reasons you have just set out, but I am not in a position to comment as it is not a space that we are focused on. Others are much more into that space than we are and would be better placed to advise on it.

**The Chair:** If there are no further questions, I thank the witness for his evidence.

10.47 am

*Sitting suspended.*

### Examination of Witness

*John Cooke gave evidence.*

10.50 am

**The Chair:** We will now hear oral evidence from John Cooke, chair of TheCityUK's liberalisation of trade in services committee, appearing via Zoom. We have until

11.25 am for this session. Mr Cooke, would you like to introduce yourself? I will then ask Members to ask you questions.

**John Cooke:** Thank you. Am I the only person giving evidence?

**The Chair:** In this session. There are a number of evidence sessions.

**John Cooke:** Thank you very much. I am John Cooke. I am a consultant with TheCityUK, and I co-chair an expert advisory group at TheCityUK on liberalisation of trade in services.

**Q31 Gareth Thomas:** Thank you, Mr Cooke, for being willing to give evidence to us, and congratulations on being one of the great survivors of the trade policy world, at least in the UK. Do you think the deals with Australia and New Zealand are as wonderful as the Government would have us believe? Could they have been improved in any way, shape or form?

**The Chair:** In respect of the Bill—we are talking about the Bill.

**Gareth Thomas:** Yes, in respect of the Bill.

**John Cooke:** One has to remember about the agreements with Australia and New Zealand that, as far as services are concerned—that is my particular area, and financial and professional services within that—they are agreements with trading partners that already had pretty liberal regimes, so there was only a limited amount extra that could be achieved in the agreements. All the same, they are useful agreements to have, and in particular they have provisions in them on regulatory co-operation that provide frameworks for building further points in the future into the relationship between the United Kingdom and the two countries.

**Q32 Gareth Thomas:** The legislation that we are debating is likely to be superseded by both the Procurement Bill, if it comes into force, and by the CPTPP. Beyond acting as a stepping stone to the CPTPP, is there any residual value to the Australia and New Zealand FTAs in themselves, or is their value purely that they are a way to prepare Britain for the CPTPP?

**John Cooke:** I think they have value in themselves, certainly on public procurement and Government procurement. The view we have always taken on financial and professional services is that while Government procurement is often thought of in terms of procurement of goods, such as medical supplies and so on, the UK sector in these areas is very keen that it should be absolutely explicit that Government procurement also applies to services.

We look at this globally, not just in relation to Australia and New Zealand. The example I would give is that if, say, a country has a pensions regime that is provided by the state but also has a private sector pillar for extra investment, we would want to be quite sure that that private sector pillar is open to bidding and tendering by UK financial product suppliers. Sometimes there is a tendency in that sort of thing for a Government to feel, “Well, as the pension provision is in the main a state pension that is Government controlled, any private

sector pillar should also be somehow confined to the country concerned.” We are very keen to remove any such assumption and make sure there is open competition, so—[*Interruption.*]

**The Chair:** We have lost the witness, so I will suspend the session until—hopefully—we get Mr Cooke back.

10.56 am

*Sitting suspended.*

11.5 am

*On resuming—*

**The Chair:** Welcome back. Mr Cooke, can you confirm that you hear us okay?

**John Cooke:** Yes, I can.

**The Chair:** I think you were halfway through an answer, or coming to the end of it. Do you want us to move on to the next question?

**John Cooke:** I do not know at what point I was cut off exactly. The point I was making was that Government procurement is commonly associated with supplies of goods, but we in services, and in financial services in particular, are keen that, where the Government are commissioning the private sector, for example, to provide a private sector pillar of pension provision, UK financial services providers should be in a position to bid for that; it should not be confined just to financial services within the country concerned, or to nationals of the country concerned. That was the point that I was making. We value the public—Government—procurement provisions for their own sake, as well as for whether they prove to be a stepping stone to CPTPP membership.

**Q33 Gareth Thomas:** A former Exports Minister in the Department for International Trade said that the Government were not doing enough to help exporters. Is that a view you share, or was he just upset about something else?

**John Cooke:** I am not familiar with that particular comment. I think it depends very much on the context of an observation like that. For us in financial and professional services, we look for particular kinds of

help. On the whole, when dealing with financial businesses—with very big businesses—they might need a certain amount of door-opening help from missions abroad, which I think they get. I do not think that we have expressed any discontentment about that. The question may be much more open for smaller businesses, where the Government might be in a position to do much more by way of helping them in particular markets. The other kind of help that is of course very important for all exporters is the implementation of a trade agreement. The making of a trade agreement is not an end in itself; its implementation needs to be carried through. Where the other party might not implement it fully, that needs to be attended to actively.

**Q34 Gareth Thomas:** As I understand it, one of the key concerns for businesses bidding for Government contracts overseas or domestically—often when they have to invest huge amounts of money in putting a bid together—is that they have confidence that, if they think they have been treated unfairly, remedies are available to them to get the tendering process suspended or compensation for the way in which the process has played out. It is likely to be put to us—it was certainly put to the Select Committee by Professor Sanchez-Graells, an expert in Government procurement—that the UK-Australia FTA includes measures that reduce the remedies available to businesses bidding for Government contracts. Would that be a concern for any of your members, or is it something you are not familiar with?

**John Cooke:** It is not a point that I have been made aware of, frankly. I will gladly make inquiries and, if appropriate, submit some written evidence to the Committee, but it is not something that has been brought to my attention.

**Gareth Thomas:** Fair enough. Thank you very much, Mr Cooke.

**The Chair:** As there are no further questions from Members, I thank the witness for his evidence.

*Ordered,* That further consideration be now adjourned.—(*Mark Jenkinson.*)

11.11 am

*Adjourned till this day at Two o'clock.*



