



## BREXIT and the Australia-China Economic Relationship

1. In 2015 the value of Australia's goods and services exports to the UK stood at \$8.8bn and \$23.5bn to the EU as a whole. **This compares with \$91.3bn to China.**<sup>1</sup>

2. Over the past decade the value of Australia's goods and services exports to the UK fell by \$0.6bn, while they increased by \$0.4bn to the EU as a whole. **This compares with an increase of \$71.1bn to China.**<sup>2</sup>

3. In 2015 Australia ran a trade deficit with respect to the UK of \$5.6bn and a \$42.4bn deficit with the EU as a whole. **This compares with a trade surplus of \$27.1bn with China.**<sup>3</sup>

4. The value of UK investment in Australia has been negative in every year since 2010, averaging (-)\$38.4bn in each year. Investment from the EU as a whole has been negative in five of the last six years, averaging (-)\$30.9bn in each year. **This compares with investment from China that has been positive in every year since 2010, averaging \$9.3bn in each year.**<sup>4</sup>

5. **Australia has a Free Trade Agreement with China** but not with the UK or the EU as a whole.<sup>5</sup>

6. There are currently 4,902 students from the UK enrolled at Australian educational institutions and 34,329 from the EU as a whole. **This compares with 141,507 from China.**<sup>6</sup>

7. The UK is Australia's most important source country for tourists from Europe. Over the past year 663,000 UK tourists have visited spending \$5,838 per trip on average. **This compares with 1.02 million Chinese tourists spending \$8,734.**<sup>7</sup> UK tourists are expected to be worth up to \$6.7bn for Australia in 2020, up from \$3.8bn now.<sup>8</sup> **This compares with \$13.0bn in 2020 for China, up from \$8.3bn.**<sup>9</sup>

8. Between 2009 and 2030, the number of people in Europe's middle class is expected to grow by 16 million. **This compares with China's middle class, which is set to grow by more than 850 million.**<sup>10</sup>

<sup>1</sup> Source – Australian Government Department of Foreign Affairs and Trade (DFAT), <http://dfat.gov.au/trade/resources/trade-statistics/Pages/trade-time-series-data.aspx>

<sup>2</sup> Source – DFAT

<sup>3</sup> Source – DFAT

<sup>4</sup> Source – Australian Bureau of Statistics (ABS), <http://www.abs.gov.au/ausstats/abs@.nsf/mf/5352.0>

<sup>5</sup> Source – DFAT, <http://dfat.gov.au/trade/agreements/pages/trade-agreements.aspx>

<sup>6</sup> Source – Australian Government Department of Education and Training (DET), [https://internationaleducation.gov.au/research/International-Student-Data/Pages/InternationalStudentData2016.aspx#Pivot\\_Table](https://internationaleducation.gov.au/research/International-Student-Data/Pages/InternationalStudentData2016.aspx#Pivot_Table)

<sup>7</sup> Source – Tourism Research Australia (TRA), <http://www.tra.gov.au/research/International-tourism-statistics.html>

<sup>8</sup> Source – TRA, [http://www.tourism.australia.com/documents/TASI10419\\_Market\\_Profiles\\_2016\\_UK\\_final\\_copy\(1\).pdf](http://www.tourism.australia.com/documents/TASI10419_Market_Profiles_2016_UK_final_copy(1).pdf)

<sup>9</sup> Source – TRA, [http://www.tourism.australia.com/documents/Statistics/TASI10419\\_Market\\_Profiles\\_2016\\_China\\_final\\_copy.pdf](http://www.tourism.australia.com/documents/Statistics/TASI10419_Market_Profiles_2016_China_final_copy.pdf)

<sup>10</sup> Source – Organization for Economic Cooperation and Development (OECD), <https://www.oecd.org/dev/44457738.pdf>