



Australian Government

Department of Foreign Affairs and Trade

File Number: 13/11250

4 July 2013

Ms Sophie Dunstone
Committee Secretary
Senate Standing Committee on Environment and Communications
PO Box 6100
Parliament House
CANBERRA ACT 2600

Dear Ms Dunstone

Re: Inquiry into the impact of imposing a certain carrier licence condition on Telstra Corporation Limited

Thank you for your letter dated 28 June 2013 to the Secretary of the Department of Foreign Affairs and Trade, in which you invited comment on issues relating to the impacts of imposing on Telstra Corporation Limited a carrier licence condition that would require it to produce printed and online national number directories within Australia. The Secretary has asked that I reply to you on his behalf.

You asked in particular that the Department address any trade barriers or other implications for Australia's trade obligations of imposing such a condition.

Australia is a party to a number of free trade agreements (FTAs) in which we have made commitments in the services sector. I note the proposed condition could affect 'trade in services', which is broadly defined under the World Trade Organization General Agreement on Trade in Services (GATS) and Australia's FTAs. The FTAs to which Australia is a party include:

Australia – United States Free Trade Agreement;

Singapore-Australia Free Trade Agreement;

Australia-Chile Free Trade Agreement; and

Australia-New Zealand Closer Economic Relations Trade Agreement.

Australia has made specific commitments on a variety of service sectors under GATS and Australia's FTAs.

Two important commitments made in the GATS and Australia's FTAs are to allow access to the Australian market (market access), and not to discriminate against like services and services suppliers of other parties (national treatment), in certain sectors.

A relevant consideration, therefore, will be whether Australia has market access and national treatment obligations in respect of the relevant service sectors and if so, to whom. By way of illustration, we note that Australia has undertaken obligations with respect to e-commerce, and has made commitments on 'printing and publishing services'. Which services sector(s) are affected by the proposed measure will depend on the scope of the actual measure.

I also note that Australia's services commitments are also the subject of other free trade agreement negotiations currently underway, which could be affected by the proposed measure.

Yours sincerely

Chris De Cure OAM
First Assistant Secretary
Office of Trade Negotiations