



## Malaysia-Australia Free-Trade Agreement approved

The Malaysia-Australia Free-Trade Agreement has been approved by the Treaties Committee.

The Committee today tabled its report approving the *Malaysia-Australia Free Trade Agreement done at Kuala Lumpur on 22 May 2012* (MAFTA) which was tabled in Parliament on 14 August 2012.

MAFTA is the latest bilateral free trade agreement with a member of ASEAN. As with the previous bilateral free trade agreements with Thailand and Singapore, this agreement has been made to build upon the ASEAN, Australia and New Zealand Free Trade Area Agreement (AANZFTA), which entered into force on 1 January 2010.

MAFTA is expected to deliver additional benefits to Australian producers, exporters, consumers and investors and provide a platform for securing further trade and investment liberalisation in the future.

Nonetheless, the Committee noted that free trade by itself was not enough for the economic benefits of such agreements to reach all Australians.

Treaties Committee Chair, Kelvin Thomson MP, said lower trade barriers do not automatically equal greater prosperity.

“Greater prosperity for all is only guaranteed if free trade is accompanied by appropriate complementary policies such as education, infrastructure, financial and macroeconomic policies,” Mr Thomson said.

Some negotiation trade-offs in the treaty gained the Committee’s attention. In particular, the glacial progress of opening up Malaysia’s rice market compared to the already low tariff that exists on automobile imports into Australia was noted.

“This issue of trade-offs goes to the heart of employment outcomes in Australia and the Committee would like to remind Australian negotiators of the practical impact free trade negotiations have on ordinary Australians’ lives – particularly with regard to employment.” Mr Thomson said.

The Committee’s view on this treaty is covered in Report 130, which is available on the Committee’s website:

[http://www.apf.gov.au/Parliamentary\\_Business/Committees/House\\_of\\_Representatives\\_Committees?url=jsct/](http://www.apf.gov.au/Parliamentary_Business/Committees/House_of_Representatives_Committees?url=jsct/) or by contacting the Committee Secretariat on (02) 6277 4002.

### MEDIA CONTACTS

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