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*Attention: National media*

## **Treaties Committee recommends ratification of the Australia – United States Free Trade Agreement**

The Joint Standing Committee on Treaties, chaired by Dr Andrew Southcott MP, tabled a report today (23 June 2004) that recommends ratification of the Australia – United States Free Trade Agreement.

During the course of its three month inquiry into the proposed AUSFTA, the Committee received over 200 submissions and held 11 days of hearings in seven cities.

The Committee took evidence on the economic models forecasting the economic benefit of the AUSFTA. While the size of the benefit of AUSFTA will no doubt be the result of continuing economic debate, the Committee has concluded that Australia will receive a positive economic benefit from the AUSFTA.

The Committee also took evidence on the advantages of multilateral trade liberalisation as opposed to bilateral trade liberalisation. Most witnesses agreed that multilateral trade liberalisation was preferable to bilateral trade liberalisation. However in the absence of progress in the Doha round, pursuing a bilateral trade agreement can offer benefits which are not immediately available in the WTO context.

Looking at the experience of the ANZCERTA since 1983 it is clear that bilateral trade agreements can evolve with time leading to deeper integration and freer trade between the Parties. The Committee has made a number of recommendations which it trusts will assist this liberalisation to Australia's benefit.

In weighing whether the ratification of the AUSFTA is in Australia's national interest the Committee has carefully taken note of the concerns and potential benefits raised in evidence. It is the Committee's view that ratification of the AUSFTA will be in the Australia's national interest.

The evidence received by the Committee can be divided into three groups: There were those who supported the Agreement and proposed that Australia ratify the AUSFTA; There were those who opposed the Agreement and proposed that Australia not ratify and then there was a third group who highlighted potential



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problems with particular Chapters without expressing an opinion on whether Australia should ratify.

Having determined that ratification is in Australia's national interest, the approach the Committee has taken to address the concerns of this third group has been to make a number of recommendations which it believes are consistent with the spirit and text of the Agreement and the assurances it has received from Departmental officials. These recommendations can be found throughout this Report.

There has been an extensive public debate about several Chapters of the AUSFTA. The Committee has made recommendations relating to the shape of the review mechanism for the Pharmaceutical Benefits Scheme, the extension of copyright term and progressing the issues of mutual recognition and work visas for business people. There are also recommendations which relate to the interaction of new technologies.

The Committee also heard serious concerns about the operation of the audiovisual content rules and the SPS Chapter. The Committee has been satisfied with the Departmental assurances about the way these Chapters will operate.

Further information is available on the Inquiry website:  
<http://www.apf.gov.au/house/committee/jsct/usafta/>

The Report will be posted on the website after it has been tabled today.

#### **MEDIA CONTACTS**

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