

Senate Standing Committee on Economics
ANSWERS TO QUESTIONS ON NOTICE
Innovation, Industry, Science and Research Portfolio
Additional Estimates Hearing
26 February 2009

AGENCY/DEPARTMENT: INNOVATION, INDUSTRY, SCIENCE AND RESEARCH

TOPIC: Manufactures Trade Deficits

REFERENCE: Question on Notice (Hansard 26 February 2009, E91)

QUESTION No.: AI-42

Senator CAMERON—On this point could you take on notice what the trade deficit, in terms of manufacturing and cars, is in the US free trade agreement negotiated by the previous government and the Thai free trade agreement? What were the implications of those agreements in terms of the Australian economy?

ANSWER

The Department is advised by the Department of Foreign Affairs and Trade that Australia's manufactures trade deficit with the United States (comprising simply and elaborately transformed manufactures) was \$18 billion in 2008, and Australia's automotive trade deficit with the United States (comprising vehicles and parts) was \$2.3 billion in 2008.

The Department is advised by the Department of Foreign Affairs and Trade that Australia's manufactures trade deficit with Thailand (comprising simply and elaborately transformed manufactures) was \$5 billion in 2008, and Australia's automotive trade deficit with Thailand (comprising vehicles and parts) was \$4.1 billion in 2008.

The Department has not undertaken an analysis of the implications of those agreements in terms of the Australian economy. The Department is advised by the Department of Foreign Affairs and Trade that Australia's free trade agreements have contributed to rapid growth in Australia's manufactures exports, which increased by 8.2 per cent to \$47.3 billion between 2003, when the first of Australia's modern FTAs was implemented, and 2008.