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MINISTER FOR ASIAN MELATIONS AND TEATHE

PARLIAMENT HOUSE MITCHELL STREET DARWIN NT 0800 AUSTRALIA

Senator Peter Cook
Chair
Select Committee on the Free Trade Agreement between
Australia and the United States of America
Parliament House
CANBERRA ACT 2600

Dear Senator Cook

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On 6 April 2004 the Secretary of your Committee wrote to the Northern Territory Chief Minister's office inviting the Northern Territory Government to make a submission to the Senate Select Committee Inquiry. This letter has been referred to me for action.

The Northern Territory Government has now considered the draft Australia-United States Free Trade Agreement (AUSFTA).

I am pleased to advise that the Northern Territory Government has ratified its previous in-principle decision and has agreed to participate in the Government Procurement Chapter with the exclusion of the Northern Territory Treasury Corporation from the Territory's list of covered entities.

The Northern Territory Government has also confirmed the acceptability of the reservations and exceptions to the services chapters and supported the agreement and its implementation.

The Northern Territory is disappointed with some aspects of the agreement, especially the exclusion of the United States sugar market liberalisation action, the delays in opening the United States beef market and the retention of beef market safeguard measures after the 18 year phase-in period.

The consultations with the States and Territories during the negotiation of the AUSFTA were informative and effective from a Northern Territory perspective. Additional sessions between the negotiators and Territory business and organisations would have assisted in ensuring regional and remote business interests and concerns were considered further during the negotiations.



Selected State and Territory Government representatives attended several of the AUSFTA negotiating sessions. Those State and Territory representatives are understood to have assisted the negotiations by being able to provide support on State and Territory related matters. In addition, such representation was important in allowing State and Territory Governments to consider issues requiring consideration and action earlier and more effectively than would otherwise be the case. The Northern Territory intends to seek appropriate State and Territory representation to be included in any future free trade agreement negotiations.

The Northern Territory has requested that an effective policy and advisory team is maintained in the Department of Foreign Affairs and Trade to help ensure that the implementation of the AUSFTA is timely and advantageous, and that advice on requirements and action is readily available for all States, Territories and exporters.

The Northern Territory Government is looking forward to securing further trade and investment growth through the agreement. Investment, especially that from the United States, is particularly important to the major Northern Territory development projects that are underway and planned.

I would appreciate receiving a copy of your committee's report when it is available.

If you or your committee require any further advice or assistance Mr Ian Prince, Director, Policy Development of my Department of Business, Industry and Resource Development can be contacted on telephone (08) 8999 7055.

Yours sincerely

PAUL HENDERSON 1915/04