Senate Foreign Affairs, Defence and Trade Legislation Committee

BUDGET SUPPLEMENTARY ESTIMATES 2002—2003; November 2002

Answers to questions on notice from Department of Foreign Affairs and Trade

Question 1

Outcome 1.1.1
Topic: Delegations to North Korea
Hansard page 143

Senator Faulkner asked:
What are the details of the costs of two departmental delegations to North Korea in 2000 and 2001?

Answer:
There are regular reporting visits by DFAT officers based at the Embassy in Beijing as part of the normal cycle of reporting on DPRK, a country with no resident Australian accreditation; the non–resident Ambassador presented his credentials; and officials accompanied Mr Downer on his visit in November 2000. In addition to these visits by DFAT officers to the DPRK:

(a) in February 2000, three officers from North Asia Division and an officer from the Australian Embassy in Beijing travelled to the DPRK via Beijing in 2000 for a total cost of $27,144.39. The delegation was in DPRK between 22 and 26 February;

(b) from 30 October to 3 November 2001, two officers from Beijing, an officer from the North Asia Division, and an officer from the Australian Embassy in Seoul were part of an Australian delegation to the DPRK. Total cost was $18,732.51.

Question 2
Outcome 1.1.2
Topic: HIV–AIDS in East Timor
Hansard page 171

Senator Faulkner asked:
Could the department provide some information on the HIV–AIDS situation in East Timor?

Answer: A paper on this subject is attached.

East Timor Health Sector

Background Paper Series—Number 5

Human Immunodeficiency Virus Infection in East Timor

November, 2002

Background

As East Timor emerges from the violence, conflict and massive population displacement that accompanied its separation from Indonesia, and the political instability surrounding the transition from United Nations (UN) administration to democratically elected leadership, it is a country undergoing massive social change. Many of the prevailing social, cultural and economic factors could facilitate the transmission of human immunodeficiency virus (HIV); conversely, a rising incidence of HIV and acquired immunodeficiency disorder (AIDS) has the potential to compound the effects of poverty and slow social and economic development.

Cultural and religious setting

The nature of East Timorese culture and society is conservative. This conservatism is based in a strong sense of kinship within the extended family, which is hierarchical and patriarchal. The needs of the individual are subordinate to the opinions of the family and community, and respect for authority figures (elders, church and political leaders) is a fundamental social value.[1] The status of women in society is low.[1-3]
Superimposed on this is the moral influence of the Roman Catholic Church. Although conventional Latin Catholicism may merge with traditional animist practices and beliefs in some remote communities, the Church remains a powerful influence on life at all levels.[1, 2]
Issues of sexuality are rarely discussed, and there is a low level of awareness about HIV/AIDS, sexually transmissible infections (STIs) and their causes.[1,4]

Socioeconomic setting

There is widespread poverty in both urban and rural communities, and high levels of unemployment (especially among young people).[2, 4-7] Many East Timorese (including more than half of the population in rural areas) are illiterate.[5, 6]
The population remains extremely mobile, with ongoing urban migration (especially to Dili) in response to economic pressures.[4] Compared with pre–1999, there is also increased cross-border and international travel, with refugees arriving from camps in West Timor, the *diaspora* returning from political exile, students taking up international scholarships, and government officials undertaking study tours and diplomatic travel.[1]

Historical factors related to the health sector

Under Indonesian administration, promotion of contraception was often coercive, and was seen by many East Timorese as a politically motivated adjunct to controlling the population.[2, 8] Coupled with the religious context, this has posed challenges to condom promotion as a means of controlling STIs and HIV/AIDS.

Risk behaviours

Sex Workers: During the three years of UN administration in East Timor, over 130 nations were represented among almost 11,000 predominantly male international personnel. These included many East African, South and South-East Asian countries with high prevalence rates of HIV infection and STIs.[9]

During this time, there was a covert but active sex industry in East Timor. It was more overt in Dili, especially in mid-2000, when commercial sex workers (CSWs) operated from two or three well-known venues and street workers were visible at several localities along Rua Jacinto Candido, between the waterfront and the central market. Anecdotally, the sex industry either became less common or went underground following publicity about HIV positive individuals among the international [10] and local [11] communities in East Timor.

Sex work may be becoming more common again.[12] From 100 to 150 CSWs are operating in Dili,[8] including visitors from Kupang, West Timor, where the HIV prevalence among CSWs is reported to be 25% (Steve Duggan, IDSS; personal communication). About 30% of sex workers in Dili are organised out of hotels, entertainment venues or one of about eight 'massage parlours', while the remainder operate less formally in the community.[8, 13]

The unstructured nature of the local sex industry makes it a difficult target for health promotion or outreach work. Many CSWs attend the Bairo Pité Clinic for routine check–ups and treatment of STIs (Dr Daniel Murphy; personal communication). The Bairo Pité Clinic and East Timor Women Against Violence (ETWAVE; an East Timorese NGO) distribute condoms to CSWs but the proportion who use them regularly with clients is not known.[8]

Injecting drug use: There is no reliable information on injecting drug use (IDU) in East Timor. During the present mission, packaged sterile needles and syringes were noted for sale in unmarked stalls in Comoro Market; the stallholders declined to say why their customers purchased injecting equipment.

Men who have sex with men: Again, there are virtually no data on the size and nature of the population of men who have sex with men (MSM) in East Timor. Transgendered individuals (Indonesian: *waria*) are said to be living in Dili.[12, 14]

Other risk groups: The Ministry of Health (MOH) has identified 'young people' as a high priority group for HIV prevention activities.[4, 13] Anecdotally, sexual promiscuity among 'young people' is not common in East Timor, although there is potential for this to change in a rapidly evolving society. Condom use for prevention of STI/HIV is low.[3] Research is needed to determine whether any groups in society are engaging in behaviours that are a risk to their health.

Epidemiology

Human immunodeficiency virus (HIV)

On available data, the prevalence of HIV infection in East Timor is probably low. Although there is clear evidence that the HIV epidemic has arrived, it is at an early stage and East Timor is in the unique position of being able to take strong and timely preventive action.

HIV/AIDS is not mentioned in published government records for East Timor from the period of Indonesian administration. The *1998 World Health Report* cites 32 cases of AIDS for the whole of Indonesia in 1996.[15] Unconfirmed reports circulating in East Timor in 1999 suggested that six members of the Indonesian military in Dili were HIV positive (WHO; unpublished data).

There are limited current data available on the prevalence of HIV infection, either in low risk groups (e.g. pregnant women, blood donors, military or police recruits), or in higher risk groups (e.g. STI patients, TB patients, sex workers, IDUs, military personnel). There are no routine seroepidemiological or clinical surveillance systems for HIV infection and STIs, and diagnostic facilities are limited to rapid serological testing of ambulatory blood donors.

In 2000, seven out of 512 ambulatory blood donors recruited in Dili and Baucau (family members of transfusion recipients) tested HIV positive on rapid testing, as did another seven people (all seafarers) from Ataúro Island; confirmatory serological testing was not conducted on any of these specimens.[9] It is not clear how representative these blood donors are of the general population. The apparent geographic clustering may reflect the location previous or current sex workers or other risk behaviour, or simply a cluster of false positive test results.

Serological testing of approximately 50 police recruits and 250 antenatal patients in 2001 yielded no positive results.[9]

In December 2001, The MOH issued a press release confirming that three members of one family were HIV positive, and had probably acquired the infection "in the last three to four years" (but did not speculate on where or how the infections had occurred).[11] In October 2002, the medical director of the Bairo Pité Clinic reported via an internet news service that he had diagnosed "HIV/AIDS" in "a girl under the age of 15 [years]".[16]

Among the international community in East Timor, little information is available about their HIV prevalence. In 2001, the Territory Health Service reported that at least nine HIV positive military and civilian UN personnel had sought testing and treatment in Darwin.[10]

Sexually transmissible infections

The presence of STIs, in particular genital ulcer disease, is implicated as a cofactor in the heterosexual spread of HIV infection.[17, 18]

Both gonorrhea and syphilis are present in East Timor, and may have been increasing in recent years. In 1995, the incidence of gonorrhea was 25.6 cases per 10,000, compared to 13.6 per 10,000 for the whole of Indonesia; there were 8.2 cases of syphilis per 10,000, compared to 2.4 for Indonesia.[2] Antenatal screening for syphilis is not routine,[12] and congenital syphilis is regularly diagnosed in neonates.[19] Ulcerative STIs such as granuloma inguinale and chancroid are said to be uncommon.[12] Markers of previous hepatitis B infection are present in 7–10% of adults (WHO; unpublished data).

Treatment is compromised by the absence of policies and standard treatment guidelines for syndromic management of STIs and, occasionally, by shortages of antibiotics at rural health facilities. Many people are also reluctant to seek treatment for symptoms of genital infection in a health facility, mainly for reasons of confidentiality, and prefer to self–medicate with traditional remedies or antibiotics bought over–the–counter at a pharmacy or in the market.

Tuberculosis

HIV infection increases an individual's susceptibility to tuberculosis (TB). In a person already infected with latent TB, HIV co-infection can be a potent factor leading to progression to clinical disease. In an HIV positive individual, many infections (including TB) allow HIV to replicate more quickly, resulting in more rapid progression to AIDS.[20, 21]

East Timor has extremely high rates of TB, but the proportion of patients with TB/HIV co–infection has not been investigated.

The response to HIV in East Timor

Government of East Timor

The Government of East Timor has given HIV prevention high priority and political support.[3, 5] The initial response to HIV has been largely based in the health sector, with the MOH taking the lead in developing the *National Strategic Plan on HIV/AIDS, 2002–2005*.[3]

The Goal of the *National Strategic Plan* is:

… to mobilise a multi-sectoral*, coordinated response to reduce transmission and psychological impact of HIV/AIDS/STI so as not to hinder the socioeconomic development of individuals, communities and the nation.*

The four strategic pillars of the *Plan* are:

1. Create an enabling environment (i.e. through policies, knowledge, advocacy and services).
2. Promote development responses to reduce HIV vulnerabilities, through:
   a) prevention services (e.g. voluntary counselling and testing facilities [VCT], condom promotion);
   b) information, education and communication (IEC); and
   c) integration of HIV prevention into other sectors.
3. Build community resilience through:
   a) socioeconomic advancement; and
   b) community based care, treatment and support.
4. Develop coordination, research and evaluation mechanisms, including:
   a) surveillance (seroepidemiological, risk behaviour, etc);
   b) program management; and

c) partnerships within and between sectors.

The *Plan* emphasises the role of a National HIV/AIDS/STI Advisory Council, the Church, NGOs and community based organisations.

Key constraints within the health sector to implementing the *Plan* include: the low capacity of health services for planning, multiple competing priorities, limited policy development,[5, 22] very limited human resources, and a lack of HIV testing facilities (and therefore limited capacity to establish and maintain seroepidemiological surveillance for HIV). There are currently very limited data (e.g. on the incidence and prevalence of STIs and HIV/AIDS, and on the nature and scale of behavioural risks) to inform programmatic responses and communication strategies.

The MOH has established a National Working Group (NWG) on HIV/AIDS/STI, with membership drawn from government, NGOs, the Church, women's groups, medical associations and the education sector.[8, 12] However, the NWG has not yet achieved its intended role in strong coordination of inputs and organisations, or as an avenue for community participation in policy and program development and advocacy to government.[13]

From March 2001 to August 2002, the MOH was assisted by an AusAID–funded Advisory Activity on the control of HIV/AIDS and STIs, staffed by an expatriate Advisor and two expatriate Timorese Program Officers.[8] Key achievements included enhanced awareness of HIV/AIDS throughout East Timor (in District Health Services as well as more widely among community groups and institutions) and securing a high level of political recognition of the importance of HIV/AIDS prevention. The Activity also established meaningful dialogue between the MOH and the Church on the importance of condoms for disease prevention. However, it achieved only limited capacity development among East Timorese counterparts, and its outreach programs and social research activities were not solidly established or documented in a way that could continue to inform HIV/AIDS prevention.[13]

UN agencies and bilateral donors

Despite its low prevalence in East Timor, HIV has attracted considerable international and donor interest. There has also been some pressure to develop urgent responses [10] which, if based on the very limited data available, could be inappropriate or ineffective.

On 13 December 2001, the MOH held a *Resource Mobilisation Workshop for HIV/AIDS/STI* at which participating agencies indicated their current or planned activities within the core elements of the *Plan*:[4, 14]

- Community participation in policy and program development: UNDP, USAID/FHI
- IEC for the general population: USAID/FHI, UNICEF, UNDP
- Targeted Interventions' (e.g. pilot peer outreach projects for vulnerable 'young people'): UNICEF, USAID/FHI
- Support services (e.g. Voluntary Counseling and Testing [VCT]): USAID/FHI, UNICEF, WHO, UNFPA
- Create a supportive ('enabling') legal and social environment, to facilitate the reduction of stigma and social and behavioural change: UNDP
- Development of a legal and policy framework: UNDP

- Development of a surveillance and reporting system to monitor STIs and HIV/AIDS: USAID/FHI, WHO
- Research, evaluation and monitoring: USAID/FHI, WHO, UNFPA
- Capacity development in program management, clinical skills, social and epidemiological research: UNDP

In particular, MOH has accepted a proposal from the Family Health International (FHI) to implement an HIV/AIDS Support Project, with USAID–funded budget of $US 2.1 million over two years.[12] The strategy is based around:

- *providing data* to inform strategic planning and development of policies and guidelines;
- *strengthening MOH services* (clinical guidelines for treating STIs, social research on condom use, implementation of universal precautions, and VCT); and
- *capacity building* for various local institutions and religious and community based organisations (including provision of "rapid response" funds).

The FHI Project will employ a full time Project Coordinator and Program Officer and, for the first six months, a full time epidemiologist.

To support its planned inputs and assist with coordination, UNDP has positioned an East Timorese Project Officer in the MOH to work with the Division of Health Service Delivery. This is not an advisory role, but intended to provide administrative and programmatic support.

Furthermore, HealthNet International has recently posted an expatriate Advisor at the Dili National Hospital to develop VCT centres in all districts, in collaboration with the FHI Support Project.

This large number of donors and activities poses a serious challenge to effective coordination of current and planned HIV/AIDS activities, and may overwhelm counterpart capacity.

Multi–sectoral collaboration

While the health sector has taken the lead in developing the national *Plan*, the involvement of other sectors has been limited. If the health sector carries the entire responsibility of coordinating the national response to HIV/AIDS, there is a risk that interventions that are best implemented through non-health sectors (e.g. transport, tourism, the police and military, education and the media) may be overlooked.

HIV will ultimately touch every sector and ministry, every geographic region (from community to district to nation), business and civil society. A genuinely multi-sectoral approach is the MOH's best opportunity to make the response to HIV/AIDS an integral part of national planning priorities.[23]

The way forward

Without good coordination, in particular the coordination of donor inputs and personnel, it will be difficult to ensure a coherent, national, and genuinely multi-sectoral response. It is therefore important to acknowledge the large number of technical advisers currently placed in MOH (26, including the HealthNet VCT Adviser, but excluding the UNDP HIV/AIDS Project Officer). Two more HIV/AIDS advisers and one HIV/AIDS Project Officer will arrive shortly to join the FHI Support Project.

The *National Strategic Plan* is extremely broad and reflects a range of resources and expertise that are unlikely to be available in East Timor during the life of the current AusAID health sector strategy. Further refinement (i.e. the development of an interim country HIV strategy) may be more appropriate than seeking to work from a strategy derived from a 'best case scenario' for resources and infrastructure.

At this early stage, reducing the vulnerability of young people will be the key defence against rapid escalation of the HIV epidemic in East Timor.[13] This will require excellent, well-targeted research into risk behaviours and the establishment of sound seroepidemiological and clinical surveillance.

Given the re-emergence of the commercial sex industry in Dili (and presumably other centres), some interventions that target CSWs are important. It would also be valuable to investigate the prevalence of HIV co-infection among TB patients.

However, the response in East Timor must not fall into the trap of targeting perceived high-risk groups alone, as they often interact with a wider population.[23] For example, CSWs interact with IDUs, some MSM, and men from other backgrounds; they also have babies.

Finally, the *National Strategic Plan* does not include any reference to antiretroviral (ARV) medications. Many developing countries are showing interest in expanding their response to the HIV epidemic by introducing ARVs, either in a targeted manner (e.g. for HIV positive antenatal or breast feeding mothers) or more generally for the HIV positive population. With the availability of generic ARVs driving costs lower, these therapies are becoming more affordable.[24] However, to avoid the emergence of resistant strains of HIV, prescribing of ARVs requires a more mature health system than East Timor has at present, and sound patient follow–up and community mobilisation.

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Question 3

Outcome 1.1.5
Topic: JSCOT report on Australia and the WTO
Hansard page 82

Senator Cook asked:
Has there been a response to the Australia and the WTO report of the treaties committee?

Answer:
The Government's response to Report 42 of the Joint Standing Committee on Treaties—"Who's afraid of the WTO? Australia and the World Trade Organisation"—was tabled in both Houses on Thursday 29 August, 2002.

Question 4

Outcome 1.1.5
Topic: Australia–Thailand Free Trade Agreement Plus
Hansard page 82

Senator Cook asked:
Has the report, containing modelling by the Centre for International Economics on the Australia-Thailand Free Trade Agreement Plus, and referred to on Hansard page 451 of the Senate Foreign Affairs, Defence and Trade Committee Estimates on 5 June 2002, been published yet?

Answer:
The Centre for International Economics was commissioned to undertake modelling on an Australia-Thailand free trade agreement as part of the Australia-Thailand Free Trade Agreement Joint Scoping Study. The Joint Scoping Study, including the results of the modelling, was publicly released in May 2002 and is available on the Department of Foreign Affairs and Trade website. A summary of the features of the model used by the Centre for International Economics is included in the same study.

Question 5

Outcome 1.1.5
Topic: Consultancies on trade issues
Hansard page 83

Senator Cook asked:

(1) How many consultants has the department engaged to supply consultancy, research or information services on trade-related matters, either in the broad or on specific issues?
   (a) Who were the consultants?
   (b) What were their tasks?

(2) Were any contracts let to do research on the impact of an Australia–US Free Trade Agreement?
   (a) What were the terms of those contracts?
   (b) How much did each one cost?
   (c) How long was each contract?
   (d) What was the method of selection for each consultancy or contract?

(3) What economic modelling research has the department undertaken on an in-house basis?

Answer:

(1) A list of the consultants engaged to conduct work on trade-related matters during 2000–01, 2001–02 and 2002–03 is provided as ***Attachment A.***

(2) Two contracts were entered into to research specifically the impact of an Australia–US Free Trade Agreement. Details of the respective contracts are set out in ***Attachment B***.

(3) The department did not undertake any in–house economic modelling research.

Question 5
Attachment A

List of consultants engaged to undertake research or provide information services on trade–related matters for financial years 2000–01, 2001–02 and 2002–03.

Consultant	Nature of consultancy
Dr Bibek Debroy	Paper on trade and investment opportunities in India (Module 3)
Dr Jaime Crispi and Dr Sebastian Vergara	Paper on Trade and Investment Opportunities in Chile—for EAAU report on Business Opportunities in Latin America.
Monash Asia Institute	Paper on trade and investment opportunities in India (Module 4)
The Apec Study Centre	A study on the implications of a free trade agreement between Australia and The United States
The International Panel Pty Ltd	Paper on trade and investment opportunities in India (Module 7)
Economic Development Associates	Paper on Trade and Investment Opportunities in Mexico—for EAAU report on Business Opportunities in Latin America
Deepak Talwar & Associates	Paper on trade and investment opportunities in India (Module 1)
Mr S K N Nair	Paper on trade and investment opportunities in India (Module 5c)
Professor Pablo Sanguinetti	Paper on Trade and Investment Opportunities in Argentina—for EAAU report on Business Opportunities in Latin America
Global Macson t/a Geonomik Pty Ltd	Paper on Trade and Investment Opportunities in Latin America
Mr Kanhaiya Singh & Dr Kaliappa Kalirajan	Paper on trade and investment opportunities in India (Module 5a)
Centre for International Economics	A report providing a quantitative analysis of the impact of a free trade arrangement between Australia and the United States of America
Monash Asia Institute	Paper on trade and investment opportunities in India (Module 4)
Agribusiness Consultant	Asian Agrifood project—Subsistence to Supermarket II (India & Sri Lanka Food Companies)
Dr Kalirajan & Dr Chadha	Paper on trade and investment opportunities in India (Module 2)
Clear Thinking Limited	Asian Agrifood project—Subsistence to Supermarket II (China & Hong Kong Food Companies)
Centre for Food and Agri-Business, University of Asia and the Pacific	Asian Agrifood project—Subsistence to Supermarket II (Philippines Food Companies)
Dr Shand & Dr Bhide	Paper on trade and investment opportunities in India (Module 6)
Asian School of Economics and Management ANU	Asian Agrifood project—Subsistence to Supermarket II (Modelling)
RBC Inc	Consultancy No 1 (Asian Agrifood Project) Subsistence to Supermarket 2 Module 1AA—Japan
Access Economics	Economic study into the costs and benefits of a bilateral Free Trade Agreement with Singapore
Centre of Policy Studies Monash University	Results and analysis of modelling China's accession to WTO focusing on FDI impacts, changes in import demand and the implications this has for Australian business opportunities
APEC Study Centre and Economics Department University of Auckland	Econometric modelling for the Economic Analytical Unit's upcoming report on Asian Regional and Sub–regional Free Trade Agreements in Asia and their impact on Australia

Consultant	Nature of consultancy
Frank Advice (International) Pty Ltd	Drafting and publication of a guide to 'Doing Business in Mexico' for Australian business
Trade Data International Pty Ltd	Analysis of Australia–China trade patterns to identify short–term export opportunities in a range of merchandise categories
Euro–Asian Business Consultancy Ltd	Consultancy No1 (Asian AgriFood Companies) for DFAT Asian AgriFood Project Subsistence to Supermarket II, Module 1C: ROK and DPRK.
Andersen Corporate Finance	Business Advisor—EFIC Alliance (2000-2001)
Asian Research Centre, Murdoch University	Report on Indian Ocean Rim foreign direct investment
Australian Agency for International Development (AusAID)	Report on benefits of open trade and investment among APEC member countries
Australian Agency for International Development (AusAID)	Develop e–commerce and paperless trading seminars for small–to–medium enterprises (SMEs)
Australian Pacific Economic Cooperation Council Secretariat-Australian National University	Advisory Services, liaison and business consultations
DBM Consultants Pty Ltd	Review and report of export credit and finance services and survey of Australian exporters and export credit requirements of EFIC clients
East Asian Business Consultancy Ltd	Research on Korean Food companies
Ernst and Young	Probity Advice—EFIC Alliance (2000–2001)
International Financial Consulting	Research, report and advice on export credit and finance services and Australian exporters requirements (2000–2001)
International Financial Consulting	Specialist export insurance advice—EFIC Alliance (2000–2001)
Kym Anderson and Associates	Report on agricultural trade liberalisation in the Indian Ocean Rim
Praxa Ltd	Statistical analysis and retrieval system (STARS) redevelopment
RBC Inc. Japan	Research—Asian Agrifood project subsistence to Supermarket II—Japan
Tillinghast–Towers Perrin	Research, report and advice on Australian developments in export credit and financial services
International Financial Consulting	Specialist export credit insurance advisor for EFIC (2001–2002)
Ernst & Young	Probity advisor for EFIC tender process (2001–2002)
Andersen Corporate Finance Pty Ltd	Business advisor for EFIC tender process (2001–2002)
Australian National University, Australia-Japan Research Centre	Report on APEC tariffs
Centre for International Economics	Research on globalisation and inequality/poverty
Australian National University	Report—Operations of Indian Ocean Rim Association for Regional Cooperation Secretariat (IOR–ARC)
Centre for International Economics	Report and advice—Australia/Thailand Free Trade Agreement economic modelling
Australian Bureau of Agricultural & Resource Economics (ABARE)	Current issues brief on preferential access arrangements.
Deloitte Touche Tohmatsu	Preparation for a Study on Strengthening the Australia-European Relationship
International Financial Consulting	Specialist export insurance advice for EFIC (2002–2003)
ACA Research	Small–scale qualitative research study on community attitudes towards trade and advice on suggested approaches
Australian National University, Asia	Preparation of research report on tariff barriers to trade in Indian

Consultant	Nature of consultancy
Pacific School of Economic Management (APSEM)	Ocean Rim Association for Regional Cooperation (IORARC) member countries
Allens Arthur Robinson	Preparation of an awareness report on strengthening economic legal infrastructure efforts in the Asia–Pacific Economic Cooperation (APEC) region.

Question 5
Attachment B

Contracts awarded for research into the impact of an Australian–United States Free Trade Agreement.

Contractor	Contract terms	Cost	Contract length	Method of appointment
Centre for International Economics	The Centre was contracted to conduct research into the impact of an Australia–United States Free Trade Area. This included using GTAP and APG Cubed models to provide estimates of the potential impact of reductions in tariffs and non-tariff barriers in an FTA between Australia and the US on key economic variables including growth, net welfare, trade, investment and resource flows.	$98,500	8 March—8 June 2001	Contractor was appointment through a restricted tender process.
APEC Study Centre—Monash University	The Centre was commissioned analyse and assess the implications of Australia entering into a bilateral free trade agreement with the United States, including its potential to protecting and advancing Australian interests in the economic relationship with the United States; the implications for the composition and pattern of Australia's trade and investment; implications for existing trade and industry programs; and the potential for an agreement to enhance support for a new round of WTO trade negotiations and the multilateral trading system, and to contribute to advancing APEC goals.	$90,000	18 April—30 June 2001	Contractor was appointment through a restricted tender process.

Question 6

Outcome 1.1.5
Topic: Free Trade Agreement with Singapore
Hansard page 94

Senator Cook asked:
Which trade unions or trade union organisations were consulted during negotiations on a Free Trade Agreement with Singapore?

Answer:
The Australian Council of Trade Unions was consulted about the negotiations.

Question 7

Outcome 1.1.5
Topic: GATS—foreign ownership of Telstra
Hansard page 110

Senator Cook asked:
Will the government categorically rule out agreeing to remove the foreign equity rules governing the ownership of Telstra?

Answer:
As a matter of general principle, the government can not lock itself into any particular GATS outcomes at this stage of the negotiation process. However, while responsibility for policy relating to foreign equity limits for Telstra does not rest with the Foreign Affairs and Trade portfolio, DFAT is not aware of plans to remove such limits.

Question 8

Outcome 1.1.5
Topic: Parliamentary scrutiny of GATS
Hansard page 113

Senator Cook asked:
Will the Minister for Trade introduce a process which enables parliamentary scrutiny of GATS before committing to an outcome? Will the government take notice of a parliamentary review of GATS?

Answer
The Government will apply the existing policy on treaty review to any amendments that are ultimately proposed to Australia's schedule of commitments under GATS.

Question 9

Outcome 1.1.5
Topic: GATS—cultural protection
Hansard page 114

Senator Cook asked:

(1) Has the Australian Film Commission asked the department for a cultural preamble to the final audiovisual GATS agreement that provides cultural protection for Australian film, television, music and advertising?

(2) Has UNESCO expressed any view about cultural protection in this round that ought to be recognised by negotiating countries?

Answer:

(1) The Australian Film Commission was a signatory of a submission made in relation to the Doha round of negotiations in May 2002. The submission included the recommendation that there be "explicit acknowledgement of the special status of culture in the text of the GATS". However, the GATS negotiating process is such that unless Australia chooses to make a specific commitment in relation to a particular service, there is no obligation to open up the market to foreign competition in the provision of that service. It is government policy that cultural objectives will be taken into account in trade negotiations.

(2) DFAT is not aware of any expressions of UNESCO views relating to cultural protection in the Doha round of WTO negotiations.

Question 10

Outcome 1.1.5
Topic: Free Trade Agreement with the United States
Hansard page 130

Senator Cook asked:
(1) Will the Minister for Trade make a statement to the parliament, for debate by the parliament, setting out Australia's objectives in particular sectors and areas of the proposed Free Trade Agreement with the United States?
(2) Will the Minister for Trade ask the parliament to duplicate the United States congressional oversight committee's role in the US Trade Promotion Authority Bill and Trade Act?

Answer:
(1) No.
(2) No.

Question 11

Outcome 1.1.5
Topic: Australia-US Free Trade Agreement: Trade deficit with the United States
Hansard page 134

Senator Cook asked:
According to the study *Economic impacts of an Australia-United States free trade area* prepared by the Centre of International Economics, in money terms will Australia's trade deficit with the Unites States widen or narrow?

Answer:
The Centre for International Economics study does not assess the potential impact of a bilateral Free Trade Agreement (FTA) on Australia's balance of trade with the United States alone. Rather, it addresses the possible impact on Australia's overall balance of trade. The study estimates (pp. 21–22) that full liberalisation of quantifiable trade barriers between the two countries would lead to a sustained increase in Australian exports of 0.6–0.8 per cent compared to what they might have been otherwise, whereas exports are estimated to increase by just over 0.4 per cent. This is predicted to have a positive impact on the current account deficit, which is estimated to reduce by around 0.08 per cent of GDP on a long term basis.

Question 12

Outcome 1.1.5
Topic: National Farmers Union (United States)
Hansard page 137

Senator Cook asked:
Does the National Farmers Union in the United States represent dairy farmers?

Answer:
Not specifically. According to its website, the National Farmers Union describes itself as "a general farm organisation that represents farmers and ranchers in all states" with the primary goal "to sustain and strengthen family farm and ranch agriculture".

Question 13

Outcome 1.1.5
Topic: Ethanol shipment from Brazil
Hansard pages 161-165

Senator Faulkner asked:
(1) Which agencies and departments attended the high level officials meeting on ethanol?
(2) How did the Department know about a shipment of ethanol from Brazil in August 2002?
(3) Who in the Department of the Prime Minister and Cabinet asked the department to find out the details of the shipment?
(4) Were either the Minister for Trade or the Minister for Foreign Affairs, or their offices, involved in getting information from Brazil about the shipment?
(5) What details about the shipment was the department asked to provide?
(6) What details about the shipment did the Department provide?
(7) Did the Department provide advice about the purchaser of the shipment?
(8) Was the department aware of any request for assistance from the owners or agents for the shipment?

Answer
(1) DFAT attended a meeting of senior officials at the Department of the Prime Minister and Cabinet on 29 August 2002 to discuss sugar industry reform issues, including ethanol. DFAT are advised that the following departments also attended: the Treasury; the Department of Agriculture, Fisheries and Forestry; Environment Australia; the Department of Finance and Administration; the Department of Industry, Tourism and Resources; and the Department of Transport and Regional Services.
(2) DFAT was asked by PM&C to inquire about it.
(3) A Section Head of the Rural and Environment Branch.
(4) We are not aware of any involvement by Ministers or their offices.
(5) The Department was asked to provide information on the ship's location, departure date, destination and buyer.
(6) Location, estimated departure date, destination and buyer.
(7) Yes.
(8) No.

Question 14

Outcome 1.1.5
Topic: WTO – GATS and postal services
Written question

Senator Mackay asked:

(1) Has the department been negotiating for foreign competition with the WTO in regard to postal services?
(2) Can the department give a categorical assurance that the current WTO GATS negotiations will not result in overseas organisations competing against Australia Post's reserved services?
(3) If the WTO recommends that postal services in Australia be opened to international competition will the government be able to prevent this given its WTO treaty obligations?
(4) What are the financial and community implications if WTO compels Australia Post to provide access to its reserved services by overseas administration?
(5) Can the minister rule out foreign competition to Australia Post?

Answer:

(1) No.

(2) The GATS negotiating process is such that unless Australia chooses to make a specific commitment in relation to a particular service, there is no obligation to allow competition in the provision of that service. As a matter of general principle, the government can not lock itself into any particular GATS outcome at this stage in the negotiating process. However, in recognition of the government monopoly on supply of small letters in the territory of almost all WTO Members, most negotiating requests received by Australia do not ask for full commitments (that is, without limitations) for all postal services.

(3) The WTO does not make recommendations of the type indicated in question 3. As indicated in the answer to question 2, the GATS negotiating process is such that unless Australia chooses to make a specific commitment in relation to a particular service, there is no obligation to allow competition in the provision of that service.

(4) The WTO can not compel the government to provide access to the 'reserved service'.

(5) Policy regarding services provided by Australia Post is the responsibility of the Minster for Communications, IT and the Arts. As a factual matter, all Australia Post services, with the exception of the 'reserved service', are currently open to competition.

Question 15

Outcome 1.1.5
Topic: WTO—GATS requests and modifications
Hansard page 104

Senator Faulkner asked:
(6) How many countries have lodged GATS requests on Australia?
(7) Have any countries that have lodged requests modified them since they lodged them?

Answer:
Twenty–two countries have lodged GATS requests on Australia and one country has lodged a supplementary request since it lodged its initial request.

Question 16

Outcome 1.1.5
Topic: US Free Trade agreement—RIRDC report
Hansard page 136

Senator Cook asked:
Can the department provide a copy a report entitled "A US-Australia free trade zone? Issues for Australia's farmers", prepared by ACIL Consulting Ltd on behalf of the Rural Industries Research and Development Corporation?

Answer:
No. The Department of Agriculture, Fisheries and Forestry has responsibility for this report.

Question 17

Outcome 1.1.6
Topic: Australia's trade performance
Hansard page 83

Senator Cook asked:
With reference to an answer given by Senator Hill, representing the Minister of Trade, in Question Time in the Senate on 18 November 2002, how were the figures relating to an increase of 250,000 jobs as a result of improved export performance calculated?

Answer:
Economic modelling conducted by Monash University in the late 1990s indicated that twenty per cent of all employment in Australia was related to export activity (*From Sheep's Back to Cyberspace*, Department of Foreign Affairs and Trade, 2001, p 13). ABS estimates for 2002 show that between April 1996 and the end of 2002 the number of employed persons in the Australian economy grew by 1,279,200. In accordance with the Monash model, twenty per cent of these jobs could be attributed to export activity, resulting in an estimate of 255,840 new jobs created by export activity since 1996.

Question 18

Outcome 1.1.7
Topic: Timor Sea Treaty
Written question

Senator Faulkner asked:
(1) Has the department seen media reports that the Prime Minster of East Timor, Mr Mari Alkatiri, has accused the Australian government of using East Timor's vulnerability as leverage in negotiations over the International Unitisation Agreement relating to the Timor Sea Treaty?
(2) What is the department's response to these reports?
(3) Has the department verified their accuracy?
(4) Has the Department raised this matter with the East Timor government? If so, when?

Answer:

(1) Yes.
(2) The suggestion is without foundation.
(3) Dr Alkatiri has made similar statements on a number of occasions.
(4) The argument has been rebutted by the Australian delegation in the course of the negotiations with East Timor referred to in question (1).

Question 19

Outcome 1.1.7
Topic: Advice on the Timor Sea Treaty
Hansard page 169

Senator Faulkner asked:
Would the minister make available copies of advice from the department concerning the drafting of the Timor Sea Treaty?

Answer:
No. The Minister will not make copies of that advice available.

Question 20

Outcome 1.1.7
Topic: David Hicks and Mamdouh Habib
Written question

Senator Faulkner asked:

(1) Has any consular assistance been provided to either David Hicks or Mamdouh Habib since the last estimates hearing?
(2) Has any legal representation been made on their behalf to authorities since the last estimates committee hearing?
(3) Can the department advise whether David Hicks is to be one of the prisoners to be released by the United States government?
(4) Can the department advise whether David Hicks and/or Mahmoud Habib are to be repatriated to Australia? If so, can the department advise as to the timeframe in which this is expected?
(5) What is the department's view about continued detention of David Hicks and Mamdouh Habib without charge or trial?
(6) Does the department regard this as acceptable treatment for Australian nationals? If not, what representations is the government making to the United States government to have them either charged, tried or released?

Answer:

(1) No. The US has decided not to provide any government with consular access to its citizens who are detained at Guantanamo Bay.
(2) The department has not been contacted by Mr Hicks' or Mr Habib's legal representatives since the last estimates committee hearing. The department is aware that Mr Hicks' legal representative has contacted the Attorney–General's Department during that time.
(3) The department has not received any advice that Mr Hicks may be released from detention at Guantanamo Bay.
(4) The department will not speculate on what may happen to Mr Hicks or Mr Habib when they are released or transferred from detention at Guantanamo Bay.
(5) The department regards Mr Hicks' and Mr Habib's continuing detention as appropriate while hostilities continue, and Australian and US authorities continue to investigate their activities.
(6) The department is satisfied that, given the high security nature of the Camp Delta detention facility, Mr Hicks and Mr Habib are being held in safe and humane conditions, and are being treated appropriately by US authorities.

Question 21

Outcome 1.1.8
Topic: Iraq Task Force
Hansard page 158

Senator Faulkner asked:
With regard to situation reports issued to ministers following meetings of the Iraq Task Force, what is the number of the most recent report?

Answer:

Task Force situation report number 23 was issued during the hearing on 22 November 2002.

Question 22

Outcome 2.1
Topic: Lesley McCulloch
Written question

Senator Faulkner asked:
(1) Can the department provide an update of Lesley McCulloch's situation?
(2) What consular services have been provided to Lesley McCulloch by the department?
(3) Has an Australian consular official travelled to Aceh to assist Lesley McCulloch?
(4) Has the department been in contact with the British government over this matter?

Answer:
(1) On 30 December 2002 Lesley McCulloch was sentenced to 5 months prison for visa violations. Less the period served, Ms McCulloch's release date is 12 February 2003.
(2) Ms McCulloch is a British national and accordingly, the British Government is exercising consular responsibility in the case.
(3) No.
(4) Yes.