SUPPLEMENTARY SUBMISSION NO. 3.1



File Reference: 10/12363

Mr Kelvin Thomson MP Chair Joint Standing Committee on Treaties Parliament House CANBERRA ACT 2600

Dear Mr Thomson

Subject: Implementation Procedures for Airworthiness Covering Design Approval, Production Activities, Export Airworthiness Approval, Post Design Approval Activities, and Technical Assistance Between Authorities under the Agreement on the Promotion of Aviation Safety Between the Government of Australia and the Government of the United States of America

I am writing in relation to the Joint Standing Committee on Treaties inquiry into amendments to the Implementation Procedures for Airworthiness [2010] ATNIF 30 under the Agreement on the Promotion of Aviation Safety between the Government of Australia and the Government of the United States of America that was referred on 16 November 2010.

At its hearing on 25 February 2011, the Committee sought information on the size of the market for the export of aircraft manufacturing products from Australia to the United States of America and from the United States of America to Australia.

According to information provided by the Australian Bureau of Statistics and incorporated into Table 1 of the Regulatory Impact Statement on the amendments to the Implementation Procedures for Airworthiness, the value of aircraft manufacturing exports to the United States from Australia and imports from the United States to Australia in Australian dollars for 2008/09 was as follows:

	Value \$M		Value \$M
Exports to the United	579	Imports from the United	1055
States of America		States of America	

The Committee also sought advice about trade tariffs or other barriers which could affect the price competiveness of Australian products in the United States and viceversa.

Under the Australian and United States Tariff Schedules to the Australia-United States Free Trade Agreement (AUSFTA) that entered into force on 1 January 2005, zero duty applies to aircraft and parts originating in Australia for export to the United States of America and vice-versa.

Aircraft and parts manufacturers can obtain further information about the AUSFTA and its application on the Department of Foreign Affairs and Trade web site at http://www.dfat.gov.au/fta/ausfta/index.html and on the Australian Customs Service website at http://www.customs.gov.au/site/page6016.asp.

As indicated in the Regulatory Impact Statement, the amendments to the Implementation Procedures for Airworthiness have the potential to greatly benefit Australia by reducing the regulatory hurdles in relation to safety certification associated with the manufacture and export of Australian aeronautical products and parts to the United States, and to enhance their competiveness.

Yours sincerely

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17 March 2011