

Economics Legislation Committee
ANSWERS TO QUESTIONS ON NOTICE
Industry, Innovation and Science Portfolio
2015-16 Additional Budget Estimates
11 February 2016

DEPARTMENT: DEPARTMENT OF INDUSTRY, INNOVATION AND SCIENCE

TOPIC: Trans-Pacific Partnership

REFERENCE: Written Question – Senator Carr

QUESTION No.: AI-139

Has the Department provide advice to government on the impacts to industry from the Trans-Pacific Partnership (TPP)? Does the Department view the TPP as having net benefits for Australian industry and manufacturing?

ANSWER

- The Department of Foreign Affairs and Trade (DFAT) has lead policy responsibility for all FTAs, including the TPP.
- In all FTAs, the Department of Industry, Innovation and Science (the department) provides advice to DFAT on policy issues relating to industrial goods market access, rules of origin, trade remedies, technical barriers to trade and intellectual property. The department provided advice across all of these areas in the TPP negotiations.
- The department consulted widely with portfolio line areas, peak industry bodies, individual companies and other key stakeholders to provide advice to DFAT on the impact of the TPP on Australian industry. This included advice on both offensive and defensive interests.
- The department considers that the TPP will produce net benefits for Australian industry and manufacturing. This is because:
 - The market access outcomes build on Australia's existing free trade agreements with Brunei, Chile, Japan, Malaysia, New Zealand, Singapore, the United States and Vietnam, and include new market access with Canada, Mexico and Peru.
 - Tariffs on US\$9 billion of Australia's dutiable exports to TPP countries will be eliminated under the TPP which will increase the competitiveness of Australian exporters within the TPP region. In respect to manufactured goods, worth an estimated \$27 billion in 2014, Australian industries and manufacturers have gained new market access for a range of goods including iron and steel products, ships, pharmaceutical products, machinery, paper and automotive parts.
 - Australia's commitment to eventual tariff elimination under the TPP will reduce the cost of imported materials for Australian industries and manufacturers. Australia was able to secure phased tariff eliminations on a range of industrial products to facilitate adjustment, where required by certain industries and manufacturers.