

Senate Finance and Public Administration Legislation Committee
ANSWERS TO QUESTIONS ON NOTICE
SUPPLEMENTARY BUDGET ESTIMATES 2015-16

Finance Portfolio
20 October 2015

Department/Agency: Department of Finance

Outcome/Program: 2/2.5

Topic: International agreements affecting procurement arrangements

Senator: Xenophon

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Number of pages: 2

Question:

Senator XENOPHON: Mr Sheridan has said that there are international agreements. I am very happy for Mr Sheridan to take this on notice, because he may want to refer to specific trade agreements and specific international obligations he is referring to. Mr Sheridan, I am more than happy for you to provide this on notice. There is this assertion that international agreements prevent giving adequate weight—or prevent what many would consider giving adequate weight—to local industry participation and local jobs and firms. Could you, on notice, provide me with details of those international agreements?

...

Senator Cormann: ... There are certain limits to what we can do. I certainly think that Mr Sheridan, on notice, will be able to provide you with some additional information in relation to that, to provide specific references as to where these limits come from.

...

Senator Cormann: International agreements are very relevant in this space, but it is just the way you framed the question. We will provide whatever assistance we can on notice in terms of making references to those relevant parts of free trade agreements that Australia is party to.

...

Senator XENOPHON: ... Can you, Mr Sheridan, in that answer, provide details of the agreements and the particular clauses that you say would prevent taking into account the effect on local jobs of local procurement? It is not a trick question.

...

Senator Cormann: In an abundance of helpfulness, though, we will see what we can coordinate for you in response to your question. I know what you are after. I understand.

Answer:

The location of the articles in Australia's existing free trade agreements are below:

Existing International Agreement	National Treatment and Non-Discrimination	Technical Specifications	Conditions for Participation	Awarding of Contracts
Australia-New Zealand Closer Economic Relations Trade Agreement	Article 11.2	-	-	-
Singapore-Australia Free Trade Agreement – Chapter 6	Article 3	Article 5	Article 7.2	-
Australia-United States Free Trade Agreement	Article 15.2	Article 15.6	Article 15.7	Article 15.9.6
Australia-Chile Free Trade Agreement	Article 15.4	Article 15.12	Article 15.13	Article 15.16.5
Korea-Australia Free Trade Agreement	Article 12.3	Article 12.8	Article 12.6	Article 12.12.6
Japan-Australia Economic Partnership Agreement	Article 17.3	Article 17.7	Article 17.9	Article 17.14.7