



COMMONWEALTH OF AUSTRALIA

PARLIAMENTARY DEBATES



HOUSE OF REPRESENTATIVES
QUESTIONS WITHOUT NOTICE

Trade

QUESTION

Wednesday, 20 October 2010

BY AUTHORITY OF THE HOUSE OF REPRESENTATIVES

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Questioner Jones, Stephen, MP
Speaker

Source House
Proof No
Responder Emerson, Craig, MP
Question No.

Trade

Mr STEPHEN JONES (Throsby) (3.07 pm)—My question is to the Minister for Trade. Minister, what role does trade play in Australia's economic growth and how will the Doha Round assist in strengthening the Australian economy?

Dr EMERSON (Rankin—Minister for Trade)—I thank the member for Throsby on asking his first question. I congratulate him on his first question and on his first speech, which was a very fine speech. I am asked about the role of trade in generating economic growth and jobs in this country and also about the place of the Doha Round in all of that. The best estimates are that one in seven Australians is engaged in an industry that is involved in exports from this country. My own view is that the total benefit of exports from this country is far greater because, obviously, there are industries that supply our export industries. Even so, one in seven is a very important contribution. Our future continues to be as a trading nation, a nation that therefore through exports is able to generate high-skill, high-wage, high-quality jobs. That is why trade is so important to this country.

I would like to acknowledge the wonderful contribution of my predecessor as Minister for Trade, the member for Hotham, for his untiring efforts in seeking to improve market access for Australian exporters. I will not attribute this result entirely to the previous Minister for Trade, but I will point out that we have now had five successive monthly trade surpluses, the most recent one being the third biggest surplus on record. That came as a big turnaround on 76 successive monthly trade deficits under the previous coalition government. I will not blame the coalition for every one of those 76 trade deficits, but of course I would suggest that a majority of them would be the coalition's fault.

What has happened since the beginning of that very long run of trade deficits is that the mining industry has now produced a lot more minerals, following investment. But our whole story is not a mining story. Do you know that 54 per cent of our exports are non-mining exports and that during the teeth of the deepest global recession since the Great Depression there has been a growth in service economy exports of an average of 4.6 per cent per annum? I think that is a

pretty good effort for our service economy exporters. They still account for only 22 per cent of our exports, but again the former Minister for Trade has been very influential in lifting the profile of our service economy exports and also of our manufactured exports.

As to the future, we believe that there is reason for some optimism about the restarting of the Doha Round of multilateral trade negotiations that stalled in mid-2008. I have been to the United States—for the benefit of the member for Curtin, that is a big country to the far north-east of Australia—and the Doha Round opens up the possibility of much improved market access not only for our manufacturers but importantly for those service economy exports. It seems, as a result of discussions I had with the administration in the United States, that the US is keen to restart these stalled negotiations by augmenting the existing offers from 2008 with a very substantial services package. That would be good for Australia. This government will continue to work tirelessly on those multilateral trade negotiations, on our regional negotiations and on our bilateral negotiations. (*Time expired*)