



MEDIA RELEASE

MINERALS COUNCIL OF AUSTRALIA

Speedy passage of TPP-11 legislation critical for exporters

Statement from Tania Constable, Chief Executive, Minerals Council of Australia

Speedy passage of the Trans-Pacific Partnership (TPP-11) legislation is critical to give Australian exporters the opportunity for an early 'double' tariff cut under the landmark Asia-Pacific trade deal.

With the Senate due to consider the TPP-11 bills next week, it is important to understand that delays in ratifying the agreement could see Australian exporters forced to wait an extra year to secure the second instalment of tariff cuts under the agreement.

This would put Australian exporters in sectors like mining, farming, manufacturing and wine at a competitive disadvantage in TPP-11 export markets like Japan and Canada.

Economic [modelling](#) has shown that by 2030 the TPP-11 will:

- Increase Australia's national income by \$15.6 billion
- Boost Australia's exports by \$29.9 billion
- Generate additional direct investment into Australia of \$7.8 billion and additional overseas investment by Australian businesses of \$26 billion
- Lift real wages with higher wage gains for lower-skilled workers.

The TPP-11 will enter into force 60 days after six countries have ratified the agreement.

This will see an immediate round of tariff cuts for countries that have ratified the deal.

If the TPP-11 comes into force before the end of December, there will then be a second tariff cut on 1 January 2019 – but only for countries that have ratified the agreement.

Mexico, Japan and Singapore have already ratified the TPP-11. New Zealand and Canada look to be on track to ratify the agreement in coming weeks and Vietnam is advancing its ratification processes.

If Australia and two other countries ratify the TPP-11 by the end of October, the agreement will enter into force in December with immediate tariff cuts followed by further tariff cuts in January.

Delays in the Senate could deny Australian exporters the opportunity of this double tariff cut, putting them at a disadvantage against competitors from countries which ratify the deal speedily.

The TPP text has now been in the public domain for more than two years.

The agreement has been examined by three Australian Parliamentary inquiries, analysed by nine modelling studies which all show it will boost Australian incomes, and supported by a wide range of Australian industries and businesses.

Lowy Institute [polling](#) shows that 67 per cent of Australians say trade is good for the economy and their living standards and 55 per cent say trade creates jobs in Australia.

This extensive scrutiny and strong public support means the Senate can be confident that the TPP-11 will benefit Australian growth, exports and living standards – and that speedy passage of the bills by the end of October could deliver additional early benefits for Australian exporters.

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