

Australian Financial Review
Lawyers Stall Free - Trade Release
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Australian and American lawyers are still haggling over the text of the historic free-trade agreement between the two countries, forcing the government to cancel the much-vaunted release of the 900-page document at the last moment.

The delay is embarrassing for the government, which was forced to cancel the release with just 15 minutes' notice on the same day that it announced a \$26.6 million bail-out for the sugar industry to placate the sector for being left out of the deal.

Trade Minister Mark Vaile cited final technical issues in the text as the reason for the cancellation yesterday. "Nothing is agreed until everything is agreed," he said.

However, Labor immediately seized on Mr Vaile's comments as evidence the deal was not yet done.

The opposition claimed that only half of the 50 US state governments had agreed to be part of the government procurement chapter of the agreement, under which Australian companies will gain the right to bid for US government contracts.

A spokesman for Mr Vaile said 27 states had signed up, and that more were expected before the FTA came into effect, as formal letters to the states requesting agreement had only been issued in December.

Australia's chief negotiator for the FTA, Stephen Deady, told a Senate estimates hearing last night that there were a small number of areas where there were differences between the US and Australia over the wording of the agreement.

"There are very limited areas where there are differences . . . there is lack of precise understanding of the commitments that have to be worked through," Mr Deady said.

He said the government believed it could publish the draft agreement "within a very short time frame".

Meanwhile, the latest round of aid to prop up Australia's ailing sugar industry includes \$21 million in income support for the next 12 months and \$5.6 million for business planning.

Cane growers will be income- and asset-tested to be eligible for the income assistance, equivalent to the dole for the next year, which will be backdated to yesterday .

It is similar to the \$15 million income support package for cane growers which expired in September 2003 .

Queensland Premier Peter Beattie yesterday welcomed the Howard government's decision to release immediate funding to the state's cane growers. But the Premier's office was angry at comments by federal Agriculture Minister Warren Truss suggesting the Beattie government should contribute more than the state's existing \$30 million reform package to help the \$1.1 billion industry.

"We've put up money from the budget, all they have put in is from money raised by a sugar levy," a spokesman for Mr Beattie said.