

# US committee approves Australia free trade deal

**Last Update:** Friday, July 9, 2004. 7:24am

A United States-Australia free trade agreement has sailed through a key committee of the US House of Representatives and headed for a likely vote next week by the full House, a spokeswoman for the panel said.

The House Ways and Means Committee, which oversees US trade policy, approved legislation that would implement the free trade agreement.

The Senate Finance Committee must also vote on the measure, as must the Senate.

Many US farm groups oppose the deal, with the US beef industry soured on the gradual additional access Australian cattlemen would get to the American market.

US grain groups have criticised Australia's stiff health and sanitary controls on imports as well as Australia's state-run trading organisation for wheat, AWB.

American manufacturers hope the proposed free trade agreement will boost US exports.

The deal would ease or remove many trade barriers between the two countries, including phasing out duties and quotas, while maintaining protections for some of the most sensitive products.

Two-way trade between the United States and Australia stands at about \$AU40.9 billion a year.

The Bush administration put the Australia free trade negotiation on a fast track last year, in part to reward the country for joining in the war against Iraq.

**--Reuters**