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***The Productivity Commission***

The Productivity Commission, an independent Commonwealth agency, is the Government's principal review and advisory body on microeconomic policy and regulation. It conducts public inquiries and research into a broad range of economic and social issues affecting the welfare of Australians.

The Commission's independence is underpinned by an Act of Parliament. Its processes and outputs are open to public scrutiny and are driven by concern for the wellbeing of the community as a whole.

Information on the Productivity Commission, its publications and its current work program can be found on the World Wide Web at [www.pc.gov.au](http://www.pc.gov.au) or by contacting Media and Publications on (03) 9653 2244.

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# Foreword

The Productivity Commission is required to report annually on industry assistance and its effects on the economy. This review of trade and assistance issues and developments over the past year contains the Commission's latest estimates of assistance to the manufacturing, agriculture and mining sectors. It also presents the latest is a new series of estimates of barriers to trade in selected services for Australia and its trading partners.

*Trade & Assistance Review 1999-2000* forms part of the Commission's annual report series. Its companion volumes are the Commission's *Annual Report 1999-2000*, and *Regulation and its Review 1999-2000*.

Gary Banks  
Chairman

12 December 2000



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# Abbreviations

ABARE	Australian Bureau of Agricultural and Resource Economics
ABS	Australian Bureau of Statistics
ACIS	Automotive Competitiveness and Investment Scheme
ACS	Australian Customs Service
ANAO	Australian National Audit Office
ANZSIC	Australia and New Zealand Standard Industrial Classification
APEC	Asia Pacific Economic Cooperation
ASIC	Australian Standard Industrial Classification
ATC	Australian Tourist Commission
ATO	Australian Taxation Office
AWB	Australian Wheat Board
COMET	Commercialising Emerging Technology
CRC	Cooperative Research Centres
CSIRO	Commonwealth Scientific and Industrial Research Organisation
DCF	Deciduous Canning Fruits
DEP	Dairy Exit Program
DFAT	Department of Foreign Affairs and Trade
DIAP	Dairy Industry Adjustment Package
DISR	Department of Industry, Science and Resources
DMSS	Domestic Market Support Scheme
DRAP	Dairy Regional Assistance Program
DSAP	Dairy Structural Adjustment Program
EFIC	Export Finance and Insurance Corporation
EMDG	Export Market Development Grants
ERA	effective rate of assistance

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GATS	General Agreement on Trade in Services
GATT	General Agreement on Tariffs and Trade
GSE	gross subsidy equivalent
GSP	gross sectoral product
GTL	gas-to-liquid
GVA	gross value added
IAC	Industries Assistance Commission
IC	Industry Commission
ICS	Import Credit Scheme
IIF	Innovation Investment Fund
IR&D	Industry Research and Development
ISIC	International standard industrial classification
LIDP	Lamb Industry Development Program
NCC	National Competition Council
NCP	National Competition Policy
NRA	nominal rate of assistance
NSE	net subsidy equivalent
OECD	Organisation for Economic Co-operation and Development
OSIC	Office of the Strategic Investment Coordinator
PC	Productivity Commission
PIIP	Pharmaceutical Industry Investment Program
PMV	passenger motor vehicles
QSC	Queensland Sugar Corporation
RIS	Regulation Impact Statement
R&D	research and development
SIIP	Strategic Investment Incentive Program
SIP	Strategic Investment Program
TCF	textiles, clothing and footwear
TEM	tax equivalent on materials
TEXCO	Tariff Export Concession
UVM	unassisted value of materials
UVO	unassisted value of output

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US	United States (of America)
WEA	Wheat Export Authority
WTO	World Trade Organization