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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 or by contacting Media and Publications on (03) 9653 2244.

Foreword

The Productivity Commission is required to report annually on industry assistance and its effects on the economy. This review of developments over the past year examines the broad range of measures used by governments to impart assistance.

The review contains not only the Commission's latest estimates of Commonwealth assistance to industry, but also updated estimates of budgetary assistance provided by the States and Territories. The Commission consulted with officials from all State and Territory governments in compiling those estimates, and is grateful for their assistance.

This review also discusses recent developments in assistance in some key sectors of the economy, as well as support measures for individual firms. And it outlines some recent international policy developments affecting Australia's trade.

Trade & Assistance Review 2001-02 forms part of the Commission's annual report series. Its companion volumes are the Commission's *Annual Report 2001-02*, and *Regulation and its Review 2001-02*.

Gary Banks
Chairman

December 2002

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K	Anti-dumping and countervailing activity

References

Abbreviations

ABARE	Australian Bureau of Agricultural and Resource Economics
ABS	Australian Bureau of Statistics
ACCC	Australian Competition and Consumer Commission
ACIS	Automotive Competitiveness and Investment Scheme
ACS	Australian Customs Service
ACT	Australian Capital Territory
ADC	Australian Dairy Corporation
ANZSIC	Australia and New Zealand Standard Industrial Classification
APEC	Asia Pacific Economic Cooperation
ATC	Australian Tourist Commission
ATO	Australian Taxation Office
BP	British Petroleum
CRC	Cooperative Research Centres
CSIRO	Commonwealth Scientific and Industrial Research Organisation
DAA	Dairy Adjustment Authority
DEP	Dairy Exit Program
DFA	direct financial assistance
DFAT	Department of Foreign Affairs and Trade
DIAP	Dairy Industry Adjustment Package
DITR	Department of Industry Tourism and Resources
DOTRS	Department of Transport and Regional Services
DRAP	Dairy Regional Assistance Program
DSAP	Dairy Structural Adjustment Program
EA	Environment Australia
ECRP	Exceptional Circumstances Relief Payments
ERA	effective rate of assistance
EFIC	Export Finance and Insurance Corporation
EMDG	Export Market Development Grants

EU	European Union
FCOJ	frozen concentrate orange juice
FI	funding to institutions
FIRB	Foreign Investment Review Board
GATS	General Agreement on Trade in Services
GATT	General Agreement on Tariffs and Trade
GDP	gross domestic product
GGA	Greenhouse Gas Abatement program
GST	goods and services tax
GVA	gross value added
IC	Industry Commission
ICT	information and communication technology
IIF	Innovation Investment Fund
IR&D	Industry Research and Development
LDCs	least developed countries
MIA	Murrumbidgee Irrigation Area
MNRF	Major National Research Facilities
MFN	most favoured nation
MVP	motor vehicles & parts
NRA	nominal rate of assistance
NSE	net subsidy equivalent
NSW	New South Wales
OECD	Organisation for Economic Co-operation and Development
PC	Productivity Commission
PIIP	Pharmaceutical Industry Investment Program
PMV	passenger motor vehicles
PTAs	preferential trading arrangements
R&D	research and development
RTP	Regional Tourism Program
SDAP	Supplementary Dairy Assistance Program
SIIP	Strategic Investment Incentive Program
SIP	Strategic Investment Program

SPS	sanitary and phytosanitary
TCF	textiles, clothing & footwear
TE	tax expenditures
TEXCO	Tariff Export Concession
TFC	Tourism Forecasting Council
TFES	Tasmanian Freight Equalisation Scheme
TPC	Trade Practices Commission
TPR	Trade Policy Review
TRADEX	Trade and Export Concession Scheme
TRIPS	trade related aspects of intellectual property rights
UHT	ultra heat treated
US	United States (of America)
WTO	World Trade Organisation