

THE HON SIMON CREAN MP

Minister for Trade

0 4 MAR 2010

Mr Saul Eslake

Mr Peter Corish

Dear Mr Eslake and Mr Corish

Thank you for your letter of 11 February 2010 informing me of the proposed study group to increase the domestic transparency internationally regarding the cost of protectionism.

I am happy to lend support to a study group of senior business and think-tank representatives as you described in your letter to build on broader efforts to increase the domestic transparency on the cost of protectionism and promote the benefits of trade liberalisation. These beliefs underpin the Government's approach to trade negotiations and I make these points in many of my meetings with trade ministers and NGO representatives.

Despite the efforts of the Government and the political support provided by G20 Leaders, the Doha Round is not yet concluded. I have not given up on concluding the Round in 2010, though I acknowledge that meeting this deadline will be difficult and will depend on how flexibly other Members are willing to negotiate. A key factor behind the inability to bridge differences on outstanding issues – notwithstanding the substantial progress achieved so far – is many Members' unwillingness to expose trade-sensitive sectors to external competition. If the study group can tangibly reduce "the powerful influence protected domestic interests exercise over national trade policies", if I may quote from your Lowy paper, then it will have made a valuable contribution.

I would be grateful if you would keep DFAT officials informed of progress in forming the study group and its strategy on how to promote domestic transparency.

Yours sincerely

SIMON CREAN

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