



Submission 3  
TT 20 June 2006



Queensland  
Government

Premier of Queensland

For reply please quote: MN110103/AS/IGR

31 JUL 2006

Dr Andrew Southcott MP  
Chair  
Joint Standing Committee on Treaties  
Parliament House  
CANBERRA ACT 2600

Dear Andrew

Thank you for your letter of 21 June 2006, concerning the tabling of the following treaties in both houses of Parliament:

- *Agreement between the Government of Australia and the Government of the United Mexican States on the Promotion and Reciprocal Protection of Investments, and Protocol (Mexico City, 23 August 2005)*
- *Amendments to the Convention on the Physical Protection of Nuclear Material (Vienna on 8 July 2005)*
- *Agreement relating to Scientific and Technical Cooperation between the Government of Australia and the Government of United States of America (Canberra, 28 February 2006).*

The Queensland Government has reviewed these treaties and has identified the following issues of significant concern in relation to the *Agreement between the Government of Australia and the Government of the United Mexican States on the Promotion and Reciprocal Protection of Investments, and Protocol (Mexico City, 23 August 2005)*.

The Queensland Government holds the view that the expropriation and compensation provisions of this agreement result in an extension of rights to property owners that do not exist under Queensland legislation and go beyond current Government policies. The compulsory payment of compensation is not consistent with the Queensland Government's existing capacity to determine under what circumstances compensation is appropriate.

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The Queensland Government is also concerned that mandating the payment of compensation and extending that right to instances of indirect expropriation creates disparity between the rights of foreign and domestic investors and it also limits the scope of State Parliaments to legislate.

Queensland has no issues of significant concern with regard to the other two treaties.

However, as a separate issue, I would like to reiterate Queensland's concern that the Commonwealth Government's consultation with States and Territories does not provide sufficient opportunity for input into the drafting of treaty text or National Interest Analyses (NIA).

While Queensland places real value on the Joint Standing Committee on Treaties process and the opportunity it provides for comment, there is also a need for States and Territories to be involved at the front end of the treaty making process. The majority of concerns identified by Queensland could be easily addressed if appropriate consultation had occurred at an early stage of the process. Queensland would welcome consultation on both the treaty texts and NIAs prior to their tabling in Federal Parliament as this would promote a more rigorous analysis of issues and provide scope for greater consultation between the Commonwealth and States and Territories.

Thank you for the opportunity to comment on these treaties.

Yours sincerely

A handwritten signature in black ink, appearing to read 'P Beattie', written in a cursive style.

**PETER BEATTIE MP**  
**PREMIER OF QUEENSLAND**