# 1 About this annex

Under its establishing Act, the Productivity Commission is required to report annually on industry assistance and its effects on the economy. As part of fulfilling this function, the Commission publishes quantitative estimates of assistance to Australian industry each year in its *Trade & Assistance Review*. Quantifying industry assistance helps to show who is advantaged and who is disadvantaged by industry assistance and can enable governments to make better informed policy decisions, potentially allowing them to improve the allocation of the community’s scarce resources and, through this, improve community welfare.

The Commission and its predecessors commenced publishing assistance estimates in the early 1970s. The estimates initially focused on the main forms of import protection for the manufacturing sector and domestic marketing arrangements for agriculture. Over time, the coverage has been expanded to include a broader range of measures, most notably budgetary outlays and tax concessions.

The Commission’s estimates focus on the main forms of support — tariffs, budgetary outlays and tax concessions — that *selectively* assist firms, activities or industries and that can be quantified on an annual basis given practical constraints in measurement and data availability.

This annex reports on changes made to the Commission’s assistance estimates for *Trade & Assistance Review 2012‑13*. These changes comprise:

* new programs added to the estimates for 2012‑13 (chapter 2);
* programs for which funding ceased in 2012‑13 (chapter 3); and
* methodological changes to the assistance estimates for the income tax averaging provisions tax concession, industry allocations for selected Co-operative Research Centre (CRC) programs and the method used to revalue mining sector assistance estimates (chapter 4).

This annex also details the methodology used to report on rules of origin to trade agreements entered into by Australia, in the *Trade & Assistance Review 2012‑13* (chapter 5).

This annex is the latest in a series that provides detailed information and updates on the Commission’s assistance estimates and methodologies. Other relevant annexes, published since 2000, are listed in table 1.1.

A full list of the Commission’s *Trade & Assistance Reviews* can be found at http://www.pc.gov.au/annual-reports/trade-assistance.

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| Table 1.1 Previous methodological annexes to Trade & Assistance Review |
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| *Source*: Commission estimates. |
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