

The Secretary,  
Joint Standing Committee on Treaties,  
R1-109,  
Parliament House,  
Canberra ACT  
2600  
jsct@aph.gov.au

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## **Submission to Parliamentary Inquiry into the AUSFTA**

I wish to make my position clear as an Australian elector, I am totally opposed to the Australian/US Free Trade Agreement.

In a letter I received from Mark Vaile, Minister for Trade, it states that the AUSFTA does not restrict the ability of governments to deliver public services such as health, education, water supply or postal delivery.

However, I do notice the similarity to the WTO's GATS and this is of great concern. As with GATS, health care seems entirely open to interpretation, and water services are most certainly at risk. It seems to me that the AUSFTA is being used to implement measures that failed at Cancun.

I understand new processes have been established under the AUSFTA which will give the US government and US companies direct input into Australian laws and policies on quarantine and technical standards, including labelling of GE food. I am totally opposed to this. As a Tasmanian, I am fully aware of the damage that can be done to our 'clean and green' image - an image that will serve us well once the WTO has succeeded in spreading food-chain disease worldwide.

I am also aware the US does not have labelling of GE foods and has already challenged the EU's labelling laws through the WTO. I refuse to eat GM foods. Once the US have bullied (the US being notorious in this respect) Australia into rejecting GM labelling - I will no longer have a choice. This has nothing to do with trade barriers and everything to do with overruling our freedom to choose.

*Following are three different sources of information with my only comment at the end:*

- A letter from Mark Vaile states, "The Pharmaceutical Benefits Scheme (PBS) in particular the price and listing arrangements that ensure Australians access to quality, affordable medicines, remains intact."
- DFAT tells us that while the PBS procedures will be changed to provide for greater transparency, speedier decision-making, and more opportunities for the input from interested companies, the price of prescriptions will not increase as a result of the FTA.
- AFTINET tells us there is an opportunity for companies to apply for price adjustments after drugs have been listed (Side Letter on Pharmaceuticals). While Government says these changes will not mean higher prices to consumers, it is less clear whether the cost of the PBS to taxpayers will rise, and there is no doubt that

drug companies will use their huge resources to argue for higher priced drugs to be listed, and for price rises after drugs are listed.

**Perception is everything – until reality arrives.**

Spin-doctors give glowing accounts of the AUSFTA, however, a closer look indicates that the agreement weakens government's right to regulate and locks in moves towards US-style policies.

In a 'side letter' that America insisted on, the Australian government promises to sell the rest of Telstra. This should not be part of a trade agreement – it should be democratically decided in Australia. This agreement will dangerously affect Australian sovereignty and our right to determine our own future. When the public becomes aware of this, every time a politician appears on TV talking up "our democracy" they must become more cynical.

The following articles show that the US is an economic basket case:

*19-9-03 The Guardian, UK*

*17-9-03 National Press Club Washington speech by David Walker Director of the US General Accounting Office*

*4-1-04 Joint session of the American Economic Foundation and the North American Economic and Finance Assoc.*

*8-1-04 New York Times' IMF says US debt a threat to the World'*

It seems that as long as the US dollar remains the world's reserve currency, there is no need for the US to account for its debt. Will our exports be paid for in US Treasury Bonds, which cost the US nothing? We could finish up with trash bonds.

Is Australia naïve enough to willingly underwrite the US debt? There are overwhelming reasons why this so-called free trade agreement should be rejected.

C. A. Roberts,  
PO Box 655,  
Burnie 7320  
mrree@southcom.com.au