

**SENATE FOREIGN AFFAIRS, DEFENCE AND TRADE  
REFERENCES COMMITTEE**

**INQUIRY INTO GENERAL AGREEMENT ON TRADE IN  
SERVICES AND AUSTRALIA/US FREE TRADE AGREEMENT**

**SUBMISSION**

**Submission No:** 164

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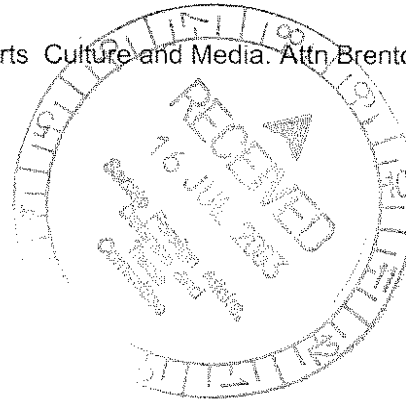
**No. of Pages:** 2

**Attachments:** No

**Cassidy, Laureen (SEN)**

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**From:** June Stratford [junes@netspace.net.au]  
**Sent:** Tuesday, 15 July 2003 5:48 PM  
**To:** FADT, Committee (SEN)  
**Subject:** FW: Free Trade Agreement, ref Arts Culture and Media. Attn: Brenton Holmes



Herewith my submission to your committee

Dear representative,

I write to enlist your support for the defense of the Australian Cultural Industry in the light of the current negotiations for a Free Trade Agreement with the USA.

There would appear to be three options

1. Remove any protection at all in the name of Free Trade
2. "Standstill" Ralph Ives, Chief Negotiator for the USA has confirmed standstill was being seriously considered as he stated "...I'm not sure there is any reason to change." Standstill is to preserve all support, quota requirements subsidies etc at the current level with no opportunity to review or change and to include only such technologies as are currently covered.
3. Completely exclude all Arts, Culture and Media from the Treaty.

If (1) was embraced then technically all support for the Arts, ie Australia Council Funding, AFC, or indeed any other Federal, State or local Government support, including ABC, SBS, Australian Content requirements for TV and cross media rules could be construed to be anti Free Trade. This could of course result in some savings to Governments but if the industry foundered as a result the multiplier effect would cease to exist and this in an industry which currently generates up to \$6 billion to the Australian economy. What would happen to the Australian identity, its ability to see itself reflected, is another matter, let alone the trade benefits which flow from the international perception of Australia through its developed Arts. (The USA is well aware of the trade benefits which Hollywood has developed through the exposure of America and its way of life to the world.) An examination of history in Australia suggests that the film industry in particular has suffered and prospered depending on the level of Government awareness to the fact that there is hardly a level playing field where the USA and Australia are concerned.

If (2) was embraced then Australia would be frozen out of investing in and regulating the ever growing rapid technological changes to the delivery of Arts and Culture. Current levels of investment and regulation would be set in stone and this would lead to the eventual disappearance of our local industry. Examine the situation of the Mexican film industry under NAFTA

If (3) was embraced then Australia would be free to invest in and regulate its own industry for the benefit of Australians. Numerous Government reports over the years have pointed out the interdependence of the Arts. A viable Film industry depends on and is nurtured by Television Drama which has managed, because of regulation, to create work and expertise which has assisted in the development of greater theatre opportunities which has encouraged Governments to invest in the development of Film and in the development of Film and theatre schools, which has produced an ongoing stream of talented performers who now have a future in the arts because of ongoing Government support, thereby being able to reflect Australia to Australians in all its and their diversity. In fact it is difficult to see how option (3) could disadvantage USA. Australia is already a very open market. 63% of new programmes on Australian TV in 2002 were foreign and 70% of films exhibited in Australia last year came from the USA. How much more open need it be? In News and Media, foreign influence is considerable given that Rupert Murdoch, an American, controls over 60% of Australia's newsprint. Channel 10 has considerable Canadian influence in its ownership.

Most nations, most notably the French, have upheld their sovereign rights over Arts and Culture in the ongoing GATT in Services treaty negotiations under WTO talks.

Department of Foreign Affairs and Trade April 2003 submitted

" The Government has made it clear many times that cultural policy objectives will be taken into account in trade negotiations. A high priority is placed on these objectives and Australia has taken a strong stand in WTO negotiations on their legitimacy, setting out, to the broad support of the membership, the value the Australian Government places on the freedom to have in place measures to pursue these objectives through policy interventions, AND TO ADAPT THESE MEASURES AS CIRCUMSTANCES CHANGE." (emphasis added)

Remember this FTA will not be debated in Parliament and will, to all intents and purposes be in perpetuity.

I urge you to support and lobby for Option Three.

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