

**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: 94

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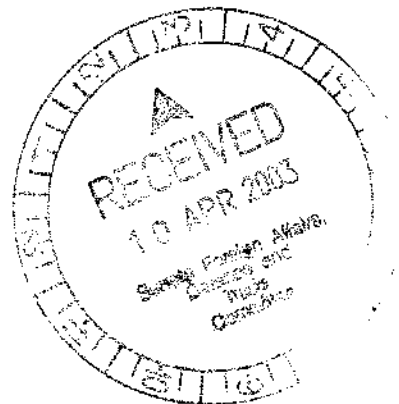
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The Secretary
Senate Foreign Affairs, Defence and Trade References Committee
Suite S1.57, Parliament House
CANBERRA ACT 2600



Good morning

I am concerned about the US Free Trade Agreement because it is such an unequal bargaining relationship. The government's own background paper says that the US sees Australia in economic terms as equivalent to one of its own states. What then are the economic benefits for Australia? The economic gains predicted by the government study appear quite low and based on the unrealistic assumption that all trade barriers will be removed, including in goods and agriculture. What is more, an independent study by ACIL Consultants shows that there would be net losses to Australia from trade lost to other countries.

I am also terribly concerned that trade is too closely linked with security issues. In the past these have been separated but now both governments are saying that the Free Trade Agreement will reinforce the security relationship. Australia should not be seen as bound to the US on economic and security issues. This is likely to damage Australia's relationships with other trading partners in our region to which over half our exports go.

Am I correct in observing that the US Government and US Corporations have targeted important Australian public policies as being barriers to trade? In particular I refer to the Pharmaceutical Benefits Scheme. US pharmaceutical companies, I fear, want changes to the scheme to get higher prices for their products. This is a vital health and social equity policy which should not be negotiated in a trade agreement.

It would also be most regrettable if the US were to insist on the abolition of the power of the Foreign Investment Review Board.. It is unacceptable for the US to have the right for corporations to challenge laws and sue governments.

Most importantly, essential services such as health water and education should be off limits in any such trade negotiations. It is stark staringly obvious that US corporations want to invest in these services, ignoring the fact that Australian people and their governments have made the democratic decision that public regulation and often public provision of these services is required to ensure that there is equitable access to high quality essential services. Decisions about these issues are a matter of social policy and should not be signed away in a trade agreement.

Australia must retain content rules in film television and music. These are a vital pillar of Australia's cultural identity and diversity which ensures that Australian voices are heard and Australian stories are told They foster a local skills base which enables quality films and television programs to be made here. The removal of these rules would be an attack on Australia's culture and would also destroy a vital and growing industry.

Can I be assured that there will be some regulation of genetically modified food? You would be aware that the US is the largest producer of food containing GMOs. Lobbying by agribusiness companies has ensured that there are no US rules for labelling to show GMO content in food. Australia has labelling requirements and a regulatory regime for GMO crops because consumers like me want to know whether food contains GMOs. This attempt to remove the democratic right of informed choice from consumers should be rejected.

Finally, I must demand that you ensure our government does not compromise our Quarantine Standards in these trade negotiations

I must insist that all trade agreements are debated and decided by Parliament, not just Cabinet. I was not at all happy that we went off to war without such debate and I trust this pattern of walking over my democratic rights does not persist.

Signed F M Waddington