The Secretary
Senate Select Committee on the Free Trade Agreement between Australia & the USA

The Secretary
Senate Select Com
Suite S1.30.1
The Senate
Parliament House
Canberra
ACT 2600

Dear Sir/Madam,

The Free Trade Agreement with the United States (AUSFTA) currently under inquiry by the Senate Committee appears to be more an act of subservience to America than for any real benefit of Australians. America has been frustrated by the stalled MAI and access to Australia's Entertainment, Agricultural and Pharmaceutical Markets but by using the AUSFTA she seems to be grabbing back some of these lost gains by having Australia reform its investment policy.

The Bush Administration sees the AUSFTA as "a victory for the US, creating unparalleled access for US firms to Australian markets". Both sides tell us they are winners, both can't be right. Past evidence of FTA with other nations is proof that Australia will do no better. The results of NAFTA and Latin American Countries FTA can be seen daily in our media. Singapore's 2003 FTA with America resulted in a commitment to sell Sing-Tel and ST. Telemedia. Telstra, which is the only Government controlled asset earning in excess of 10% (despite inept management), would follow the same way under the AUSFTA.

This is not a FREE trade agreement, it an agreement where the US is free to trade with you, but you are not free to trade with her. America already enjoys a large trade surplus and has GDP over 20 times that of Australia. The domestic corporate lobbies, who have political clout both here and in the US always decide policy, these groups are represented and sometimes dominate all negotiations to insure that their interests aren't compromised.

The WTO has not even ruled on whether or not the AUSFTA has been concluded consistently with WHO rules. In fact to be consistent with WTO requirements it must cover all trade (which it certainly does not). Under WTO rules, other WTO members could demand of Australia the same concessions conferred upon the US by this AUSFTA.

The Australian Government is too short sighted to mandate Ethanol in fuel despite Brazil campaigning for Australia to become Brazils Co-supplier of bulk car engine grade ethanol to Japan. Yet our trade negotiators caved into US demands that sugar be out of the AUSFTA. Under the AUSFTA the US has obtained an undertaking that Australia will **reform** its quarantine restrictions presumably to allow into Australia agricultural produce now restricted for disease and or pest reasons. How on earth can quarantine measures, which are scientific, become part of trade negotiations?

Under the AUSFTA a new body is to be set up to review decisions taken by our own Pharmaceutical Benefits scheme to decide which drugs will or wont be included in the scheme. The US is asking Australia to accept the principal that we should not favour cheaper generic brands of drugs over more expensive US brands. If aging of the Australian population were such a cause for concern surly the cost of medicines would be paramount.

Both the Australian and American economies were built on Tariff protection. America still has tariff protection, but it is disguised in subsidies and tax breaks yet Australia is expected to abandon its producers for an ideal that is not and has not ever worked. Trade in the main is controlled by Multinationals who receive very generous tax concessions not available to Australian producers and it is these Multinationals who dominate trade agreements.

The AUSFTA should be rejected outright by the Select Senate Committee for the good of the Australian producers and the curtailing of our foreign debt.

David Bruderlin

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