

The Secretary  
Senate Select Committee  
Free Trade Agreement between Australia and the United States of America,  
Suite S1.30.1, The Senate,  
Parliament House,  
Canberra ACT 2600, AUSTRALIA

**Re: SUBMISSION - US/AUSTRALIA FREE TRADE AGREEMENT**

Dear Madam/Sir,

The abject failure of the Howard Government to fully support Australia's primary producers in the now signed, but not ratified, US/Australia Free Trade Agreement, demonstrates unmitigated contempt for the 'man on the land', his struggling family plus regional and rural communities.

Prime Minister Howard and the Nationals Trade Minister, Mark Vaile, both gave unequivocal assurances to the sugar industry that there would be no FTA without sugar, which now appears to be at best misleading or at worst blatant deception.

The touted 'benefits' to Australia of the FTA is by massive increases in imported 'cheap' US cars and other 'cheap' US manufactured consumer goods. But what about the recent four thousand (4,000) millions of Australian taxpayer dollars given as subsidies to Japanese car manufacturers to allow 'cheap' car exports from Australia!

Could the systematic obliteration of Australia's textile, footwear, white goods and other manufacturing industries have been the precursor to the systematic obliteration of Australia's primary producers!

The federal government's internationalist policy of '... let the market set the price', is economic incompetence and has the real potential of creating Australian levels of unemployment indicative of third-world countries.

It's perfectly clear to a majority of Australians that the Minister for Trade, Mark Vale, who signed the Free Trade Agreement with America, has conveniently closed his eyes to the fact that this is just another international agreement which is NOT in the best interests of Australia.

Why our representatives in Canberra are so determined to lead us into this black hole is anybody's guess, but what is certain is that the vast majority of Australians are both wary and sceptical, a fact that our representatives in Canberra would be well advised to note.

Australians have every right to be wary and sceptical as the proposed benefits of this Free Trade Agreement are largely ill defined and illusive to say the least, while the downside dangers are already screaming at us.

Our primary producers are unlikely to benefit, our remaining manufacturing industries have no chance, while our financial services industry, banks included, will be completely at the mercy of international interests.

In addition, there are Congressional Democratic Representatives in the US petitioning President Bush demanding he not enter into a FTA with Australia sighting proposed higher prices for pharmaceuticals in Australia under the FTA would set an adverse precedent for increased pharmaceutical prices in America.

Local fears of higher pharmaceutical prices under the FTA have been ignored or derided previously by Canberra so it's not difficult to conclude that there is some considerable level of deception hovering over the entire FTA process.

So, it's about time our representatives in Canberra took their heads out of the sand and had a look at the interests of those who they were elected to serve.

Surely by now it must have dawned on Australia's Trade Minister, Mark Vaile, that his Australia/US Free Trade Agreement negotiations in Washington with Robert Zoellick, the US representative, were doomed for failure from day one.

Should Mr Vaile, or his mates in Canberra, believe that any American President or US politician is in any position to give away anything to Australia right now when they are in the midst of a US Presidential election... they are simply dreaming.

The proposed Australia/US Free Trade Arrangement was always highly questionable when considered from an Australian benefit perspective. There was clearly no benefit for dairy, sugar, beef or lamb, just to mention a few.

It was almost a given that no Australian primary industry would benefit, but at the same time our pharmaceutical benefits system (PBS) would be destroyed, Telstra and other communication entities would be up for grabs and our finance industries would be at great risk.

Perhaps it's time for Mr Vaile to now save taxpayers' money, save further anguish for Australia's primary producers, save our PBS scheme and maybe he can still save some face in rural Australia, for the FTA was never a goer in the eyes of a majority of Australians.

The 2004 National Trade Estimate of Foreign Trade Barriers report released by the Office of the US Trade Representative said: "If enacted, the FTA [Free Trade Agreement between Australia and the US] would confirm the Australian government's public commitment to the full privatisation of Telstra".

The United States is pushing for the full privatisation of Telstra, claiming the proposed Free Trade Agreement gives it comfort public ownership of Australia's telecommunications giant will end. Opinion polls across Australia clearly demonstrate over 80% of Australians are AGAINST the full sale of Telstra.

Commonsense must prevail with the total rejection in the Senate of this highly controversial FTA, which is undeniable NOT in the best interests of Australia.

I urge each of you on this Senate Select Committee, and your party colleagues, to vote against implementing legislation on the proposed US/Australia FTA when it comes before the Senate in June 2004.

I look forward to the opportunity of addressing this Senate Select Committee in Cairns FNQ on 17 May 2004 on this matter.

Respectfully

*Selwyn Johnston*