

1 May, 2004

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

Dear Secretary,

In relation to the proposed **Free Trade Agreement** between Australia and the USA, I wish to express my deep concern about the terms of the proposed Free Trade Agreement. After reading the analysis and opinion of a range of experts, I wish to point out my concerns in relation to the following areas:

- **Pharmaceutical Benefits Scheme (PBS):** the proposed changes would result in a costly process of litigation whenever a decision by the PBS tribunal is challenged by a drug company. As well as the unavoidable cost of this process, which would have to be funded from the PBS budget, it would inevitably result in further delays in the work of the agency.
- **Superannuation Funds:** Australian superannuation funds should continue to be shielded as they have been in the past from the less regulated, less transparent and recently very turbulent USA funds sector.
- **Australian content in free to air television programs:** Significantly lower production costs of television programs can be achieved in the USA than in Australia. The USA, has a big population base, different taxation system and large established industry. All of these factors would make it all but impossible for Australia to produce competitively priced local programs for our television outlets and this would result in further swamping of the Australian culture by that of the USA.
- **Agriculture:** Australia has one of the least protected agricultural sectors in the world. Despite all the posturing about free trade, the USA and the European Common Market continue to shield their primary producers from outside competition. These same big two producers frequently put added pressures on smaller countries like Australia by dumping heavily subsidised excess production on our markets.
- **Quarantine:** Australia's quarantine system has effectively protected our local primary production. It means our products are free of many of the major problems which affect goods in other parts of the world. For instance, because of our quarantine regulations our cattle are free of BSE and have continued to have markets around the world. Similarly, other primary products continue to sell on the world market because of the protection provided by our quarantine system. The Australian sugar industry has been denied access to the USA market although its cost of production is a third that of the USA producers.

I do hope my concerns can be taken into consideration by the Committee.

Yours sincerely

Glenda Gartrell