



# The Adelaide Day Centre for Homeless Persons Inc.

23rd April 2004

The Chairperson  
Select Committee on the Free Trade  
Agreement between Australia and the U.S.A.  
Parliament House  
CANBERRA: 2601

To the Committee

RE: Free Trade Agreement.

As an organisation vitally interested in the effects of Government decisions on the poorest and most vulnerable people in our society, we write to outline our concerns about the Free Trade Agreement between Australia and the United States of America.

Australia continues to suffer from high levels of unemployment and all the bi-products of this - homelessness, relationship/family breakdown, mental health problems, gambling addictions, poverty and a growing division between rich and poor. We are dealing with these problems on a daily basis.

The Trade Agreement between Australia and the U.S.A. is a major concern to us in that it weakens Australia's ability to control and regulate its investments and at the same time can show little economic benefit to Australia. This can only have a negative impact well into the future.

1) It promises to weaken Australian price controls on medicines resulting in higher drug prices to consumers, higher costs to tax payers or both. The changes to patent laws further places control of medicines outside the Australian Government's domain. With failing public health systems this is a major issue with devastating effects on the people we care for who are already struggling to access basic health care.

2) The Agreement gives Australia less right to review foreign investment and the fact the U.S. investors are not required to use local products or technology means there is absolutely no benefit to Australia and, in fact, may result in higher levels of unemployment.

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3) Of great concern to us is the effect the Agreement could have on essential services including social welfare, public education, public training, health and child care. These matters are vitally important to our clients and should stay in Australia's hands. U.S. pressure to privatise (such as it's showing in regards to Telstra) is not a road we would like to see Australia travel further down. Water and electricity privatisations have meant higher costs to consumers, job losses and a poorer standard of services to our clients. Other essential services need to be safe-guarded and this Agreement does not provide the necessary safe-guards.

4) We are also concerned at the likely job-losses from tariff cuts in the textiles, clothing, footwear and motor vehicle industries.

Because of these concerns and the far-reaching effects that they will have on our clients and the general welfare of Australia at large, we are absolutely opposed to this Trade Agreement.

Anything that further removes the power to control our own affairs independently in Australia can only lead to dire consequences that will not benefit this generation or generations to come.

Yours faithfully



M. Lindholm