

Dear Senators

I am prepared to believe that Australian negotiators involved with the development of the US-Australia Free Trade Agreement had hopes that the agreement would be beneficial for Australia. However, in actuality, the Agreement poses a serious danger to laws and institutions in Australia and threatens Australian sovereignty in many ways. At the same time, positive improvements in trade between the United States and Australia may take many years before they are in place.

The following are some examples that illustrate the danger to the Australian way of life:

1. The principles upon which the Pharmaceutical Benefits Scheme is based are at odds with the trading practices of US drug companies. Under the Free Trade Agreement, the US Government will have a voice in Australia's medicines policy and the Agreement weakens price controls on medicines that maintain drug affordability in our country.
2. There will be restrictions on Australian content rules in new media that may mean that Australia is flooded with US programs. In addition, public broadcasting in Australia could be challenged on the basis that regulation of public broadcasting is inconsistent with the US Free Trade Agreement.
3. My career is in libraries and I am highly conscious that libraries and educational institutions will face higher costs for access to information. A body giving advice to the Australian Government on this matter urged the Government to resist extension of copyright from 50 years after the death of the author to 70 years. "Harmonising" with US copyright law goes against most of the rest of the world whose copyright laws are in accordance with the Berne Convention.
4. The Foreign Investment Review Board seeks to ensure that investment is in Australia's national interest by presently having the authorisation to review investment worth \$50 million or more. Lifting this threshold to \$800 million under the Agreement means that Australia will not have the power to review a great deal of future US investment.
5. The Agreement gives the US Government direct input into Australian laws and policies on quarantine including the labelling of genetically engineered food. Many years of work in maintaining Australia's reputation in the world as a producer of high quality food is in danger. The chances are increased of Australia incurring vast economic losses if any plant or animal diseases gain a foothold in our country. The acceptance or otherwise of genetically engineered food production is a debate being carried on in Australia at the present time. The Free Trade Agreement apparently gives US representatives the same rights as Australians to participate in the development of standards and technical regulations in Australia in relation to genetically engineered foods before our debate is concluded.
6. The Free Trade Agreement states that the chapter on services does not apply to public services, with the definition of public services being services not supplied 'on a commercial basis nor in competition with one or more service suppliers'. As many essential services in

Australia, such as water, education, health, energy and postal services, which most people would refer to as "public services, are provided on a commercial basis with free competition to help maintain efficient operation, many of these services could be subject to the Agreement.

Australia must therefore treat US companies as if they were Australian companies and apply no rules to their operation in the Australian context. Regulations governing the provision of public services, including blood services, 'cannot be more burdensome than necessary to ensure the quality of the service', and could be challenged by the US government.

7. The economic outcomes for Australia are unclear, even in reports commissioned by the Australian Government to illustrate a positive outcome for Australia. Why is Australia risking the benefits of so many of its existing laws and institutions for no clear-cut economic gains?

Australia will be condemning itself to an unpredictable future if the Treaty's dispute process declares that an Australian law must be changed and compensation (how much?) be paid to the US party. Who is the bigger player in this treaty agreement? Can Australia ever be sure it will not be pushed around in these high-stakes interactions?

I urge you to find against the US Free Trade Agreement implementing legislation because the Agreement is not in the best interests of Australia.

Yours sincerely

Julie Short