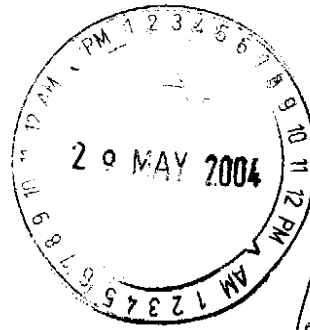


25 May 2004

Brenton Holmes
Senate Select Committee
Suite 1.30.1
Parliament House
ACT 2600



NO FREE TRADE AGREEMENT WITH AMERICA

Dear Mr. Holmes,

As a secretary to the Senate Select Committee concerning the Free Trade Agreement between Australia and the US, I am writing to you to express grave concerns I have about the agreement negotiations.

The information given below has been attained from various sources and I cannot claim to the wording but I can claim that I wholeheartedly agree to what is written. Australia's relationship with the US is a good one in that we support each other and are allies in times of conflict but this does not flow on to things like trade. The US has a long history of doing what is best for America and if that means using an ally like Australia for a means to its own end it will.

Our PBS makes expensive medicines and drugs available and affordable to ordinary Australians; our governments at all levels must have the right to legislate as they deem necessary to the benefit of the people and the environment; our quarantine laws protect us and our economy; Australian manufacturing is not in the best shape but our tariffs provide some measure of protection to the industry; our essential services need to be properly and responsibly regulated; what we see and hear on TV and radio needs Australian content to retain our culture and diversity and of course the government purchasing rules allow for Australian industry involvement in government contracts etc. All of these are at risk under the AUSFTA, please block it and ensure Australians remain in charge of Australia and we don't sell our soul. We cannot compete against the strongest manufacturing nation in history.

Please read what I have put into this letter and oppose the AUSFTA, there is very little in it for the Australian public; use the case histories of the agreements the US have with Mexico and Canada.

The Federal Government entered into these negotiations despite the fact that neither of the two studies on the AUSFTA project significant economic gains for Australia. The study by ACIL Consulting study predicts economic losses, while the Australian APEC Study Centre report predicts small economic gains, based on the assumption that all agricultural barriers to trade will be removed, which it concedes is unlikely. In such a bilateral trade negotiation Australia is in a very weak bargaining position given the relative sizes of the US and Australian economies. This is confirmed by Australian APEC Study Centre paper in its statement that "A way of viewing the economic association from the US perspective is to see it as the addition of another medium sized state roughly equivalent in GDP to that of Pennsylvania" (Australian APEC Study Centre 2001 p 48).

I believe the proposed US-Australia Free Trade Agreement is not in Australia's interests because:

- weakens price controls on medicines by allowing drug companies to seek reviews of decisions by the Pharmaceutical Benefits Advisory Committee,
- sets up a new joint policy committee which gives the US government a voice in Australian medicines policy based on US trade policy, not on the Australian policy of access to medicines for all,
- limits Australian content rules for new forms of media, and allows the US government to challenge these rules as a barrier to trade,
- adopts US copyright law, leading to higher costs for libraries, schools and universities,
- "binds" or freezes many areas of state and local government regulation at existing levels and limits the ability of governments to make new laws and policies on essential services like water,
- limits the powers of the Foreign Investment Review Board to review investment in the national interest, so that 90% of US investment will not be reviewed,
- sets up joint committees based on US trade policy to give the US government a say in quarantine and regulation of food labelling. This will apply to genetically modified food, Australia has labeling requirements and a regulatory regime for GMO crops because there is an overwhelming desire by consumers to know whether food contains GMOs, so that they can make an informed choice. This is an attempt to remove the democratic right of informed choice from consumers and should be rejected,
- allows US services firms to invest in essential services like health, education and water. Australians have made the democratic decision that public regulation and often public provision of these services is required to ensure that there is equitable access to high quality essential services. Decisions about these issues are a matter of social policy and should not be negotiated in a trade agreement.
- Will affect Australia's quarantine standards which the US alleges are used as a "means of restricting trade". Australia has relatively high quarantine standards because as an island country we are disease-free in some areas, and the impact of such diseases would be devastating. The government should not compromise these standards in trade negotiations
- outlaws government purchasing policies that give preference to local products or require US contractors to form links with local firms to support local employment, and
- has a disputes process which enables the US government to challenge many Australian laws and regulations before a trade tribunal on the grounds that they are too burdensome for business or a barrier to trade.

I am deeply concerned that US negotiators and corporations have defined many Australian public policies as barriers to trade.

I strongly support these policies and see them as expressions of Australia's economic and cultural independence. They should not be negotiated in a trade agreement. This is unacceptable and would endanger Australia's economic independence, culture, access to essential services and health and safety.

I urge you to ensure that you block the USFTA implementing legislation when it comes before the Senate in June 2004.

Yours Sincerely

A handwritten signature in black ink, appearing to read 'Stephen West', with a stylized flourish extending to the right.

Stephen West
Concerned Australian