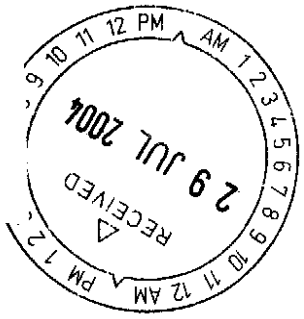

25 July 2004

The Chairman, Hon Peter Cook
The Senate Select Inquiry Committee into the
US-Australia Free Trade Agreement
Parliament House
CANBERRA ACT 2600

Dear Mr Cook

Please don't let the U.S.-Australia Free Trade Agreement wreck our Pharmaceutical Benefits Scheme - the envy of the world. Continue to keep the Commonwealth's power to negotiate low prices. It will be devasting for PBS if you don't.

We are not exploiting the USA pharmaceutical companies: governments grant them generous patent protection, essentially a publicly protected monopoly. The manufacturing cost of drugs is usually low.

Most of the costs are incurred in research and development, which is almost entirely independent of the volume of drugs sold. Provided they can cover these costs in their home market, it is profitable for them to sell in other markets at much lower prices.

Also, they are some of the world's most profitable firms, and they are already heavily subsidised by publicly-funded basic research. The pharmaceutical firms want Australian prices to come up to American prices. Devastating for the PBS. We'll lose it's universality!

We are an ageing population so the demand on the PBS is becoming greater.

I quote Sydney 'Sun-Herald' Sunday 25 July 2004 page 31 Michelle Grattan writes 'Latham limbers up for week of trading blows'.

'...Their difficulty is that this is an all-or-nothing vote - the legislation can't be amended. This makes it harder to give the critics anything real while supporting the agreement. The committee can urge various actions be taken later, but there can be no 'renegotiating' once the deal is passed'

Presuming this is accurate please don't pass the current Bill.

Regarding the Free Trade Bill as a whole.

'Marry in haste: Repent at leisure'. This was an agreement where the final stages were negotiated in haste to meet deadlines. Down the track we don't want to find that the U.S. got the 'thoroughbred' and Australia got the 'mule'.

We don't want any of our industries to suffer. Compromise is not the answer. Not one size fits all. Having winners and losers in Australia is no good. Rather than a 'big' trade agreement we should think in many smaller ways - 19 million!! and band together as Australians. Maybe we should let each industry be creative; ie, think laterally. Think in smaller ways. Australians have got the inventiveness.

'Never doubt that a small group of thoughtful committed citizens can change the world. Indeed it is the only thing that ever has' Margaret Mead.

This Trade Agreement sets up processes that allow the US to challenge many Australian laws, policies and regulations on the grounds they are burdensome for business or a barrier to trade. GM labelling will not be allowed.

It also prevents state governments giving preference to Australian firms in tendering procedures.

It will set up the process that allows the USA to pressure Australia to relax quarantine standards; ie, trade assessment, not risk assessment.

This Trade Agreement is not in the Australian peoples' best interests. Our duty is to look after the 'common-wealth' so the Australian people can have the start (ie financial) of a fair go in life. Please continue to assert Australia's independance and national pride.

D Sheridan-Smith B Sheridan-Smith

(Mrs) Denise Sheridan-Smith Bruce Sheridan-Smith