

## Sidley, Kristine (REPS)

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**From:** niko leka [niko@idl.com.au]  
**Sent:** Wednesday, 14 April 2004 9:30 AM  
**To:** Committee, Treaties (REPS)  
**Subject:** submission JSCOT

Apologies: original sent to wrong email & bounced  
Attention: Sec. Joint Standing Committee on Treaties  
re: USFTA

I detail some remarks on the proposed USFTA.

1. Generally the USFTA applies business principles to the exclusion or domination of ethical principles. Put simply, essential services should not be considered to be primarily an area for corporate profit. Social regulation should not be subject to trade law. This puts the interests of corporations before the interests of citizens and their communities. I strongly disagree with the 'negative list' concept. This means future generations will have no opportunity to negotiate. It renders Australia servile.

2. The PBS is an outstanding example of sensible regulation of drugs and a responsible means of ensuring sensible public expenditure on drugs. It enables Australia to focus on health and its benefits, rather than profits and its benefits to overseas multinational corporations. The proposed joint US-Australia Medicines Working Group is a redundant review process. The PBS already reviews drugs on the basis of sound scientific evidence. The additional body will therefore have another agenda- ie not efficacy or efficiency, but the interests of pharmaceutical companies. Even if the price to consumers is not changed in the short term, the cost to the Australian taxpayer will rise because drugs that are not necessarily more cost-effective or efficacious will be introduced at a higher price.

Mr Vaile's record- and that of the Liberal Government constitutes as inept attempt at deception. When the USFTA agreement was first announced, you will recall that they said nothing will change. In the US, it was reported that substantial changes to the PBS would result. The very fact that all of these negotiations occurred behind closed doors adds more reason to reject what is not only an unnecessary but disastrous agreement.

3. It is (in public health terms) absolutely suicidal NOT to have labelling of GE foods. In fact, not to have such labelling will make it almost impossible to monitor any long term effects of GE foods (even if they are beneficial, for instance). The same applies to Quarantine regulations- it is absurd to make these depend on "mutual consent" when the criterion should be on a scientific basis.

4. Defining "essential public services" by defining by whether they are supplied on a "commercial basis" is (yet again) an invitation to court disasters on a population level, examples of this are the mess that has ensued whenever utilities such as electricity and gas have been privatized. In addition, this is contrary to the interests of long term business stability. Article 10.7 that standards for services cannot be 'more burdensome than necessary to ensure the quality of the service' leaves it open to corporations to decide what "quality" means, not the citizens or scientific community of either the US or Australia.

5. Article 22.1 that laws protecting human, animal or plant health must not be a "disguised restriction on trade services" is absurd. Environmental regulation is primarily that. To put the interests of a "market" or, more likely, a powerful corporation, will seriously prejudice the main task that faces the world: environmental sustainability.

6. I totally reject the attempt to impose a cap on the amount of Australian media content in Australia. The mass export of cheap US media is one of the most profoundly damaging influences on the culture of our country.

7. Australian control over foreign investment should be strengthened, not weakened. This does not necessarily mean a 'fortress Australia' mentality. Rather it means that the future enhancement of Australian assets will be cultivated.

Finally, I note that the economic studies by ACIL consultants and the productivity

Commission predicted losses if the USFTA goes ahead. What is the sense in this? It is my contention that the primary function of the USFTA is to make Australia a client state of the US. I have discussed the USFTA with my colleagues, and have not found ONE person who supports it. To summarize it, I'll use the words of a US human shield in Iraq. She was writing about the motivation of US foreign policy. It applies to the USFTA, particularly her statement regarding "benefits":

"The system we're in cannot control itself. Its locked into something that's really a distorted sort of business model, in that the "risk/benefit" analysis leaves out a bunch of information on the risks. It also neglects to subtract certain costs from the "benefit" side of the calculation".

I urge the USFTA be scrapped in its entirety. Kindly confirm receipt of this submission.

Regards

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