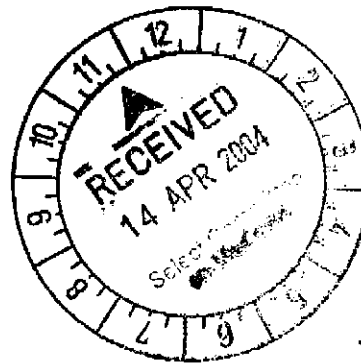


**The Secretary
Joint Standing Committee on
Treaties**



John Morris

April 13, 2004

U.S.—Australia Free Trade Agreement

The U.S. – Australia Free Trade Agreement is one of the most important and frightening agreements made in the history of this young country of ours.

It is a one-way deal for the big American corporations who are not noted for his generosity. Everything is about profit and if there is shortfall or not enough growth then fire the very people who helped achieve that growth.

The classic example of how unequal the deal will be has been demonstrated right here in Australia. At Federation in 1901 free trade between the states was introduced. The southern part of Queensland where most manufacturing was based voted strongly against joining Federation for this reason. They rightly feared the bigger cities like Sydney and Melbourne would dominate. Local suppliers such as printers, are disadvantaged because these national corporations buy in bulk in Sydney or Melbourne.

More than 200 years later Queensland is still a branch office state.

Already much of our industry is owned by overseas corporations, and that is without an FTA.

Many things concern me about the FTA with the U.S. Primary among them is the belief that the business community has the answers to our problems and opening the floodgates to U.S. corporations will be good for everyone. This is really a David and Goliath contest only David doesn't have a slingshot to defend himself.

There are less rights to review foreign investment with U.S. investment in Australia to be treated the same as local investment. As is the case with Queensland being dominated by Sydney and

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Melbourne traders so too will all Australian businesses be dominated by U.S. traders – and I notice that U.S. investors are not required to use local products, transfer technology or contribute to exports.

I am concerned at the restructuring of our quarantine administration, allowing for two new committees to be established to facilitate trade. Surely our quarantine system should never be part of any FTA.

There must be some things in the running of a nation that have little or nothing to do with being run as a profit-making corporation. ---

Water should never be corporatised as it has already been and neither should its ownership be on the open world market for the purposes of making money on investments. This is scandalous, to say the least.

Health must remain in the hands of Government as should our Pharmaceutical Benefits Scheme. Our health services are far from perfect but more people have access to them than if they were all privatised. The U.S. itself is an example of how privatised health services fail so many people. For an aged pensioner or someone only able to get casual work it is almost prohibitive for them to get health treatment. If our PBS goes then it will be a financial disaster for ordinary Australians living in an economy where the rich are getting richer and the poor are getting poorer.

Energy, like water should be kept out of the for-profit regime as a matter of national security and costs kept to a minimum to facilitate industry.

I initially surprised to see that there was no investor-state complaints process as there is with all other similar agreements entered into by the U.S. however, I am more than suspicious Article 11.16.1 which refers to “a change in circumstances” which allows an investor to seek consultation with the other government which must then “promptly enter consultations with a view towards allowing such a claim and establishing such procedures.”

I sincerely hope that we do not enter into this agreement with the U.S. There are too many holes and very few, if any, real benefits to Australia.

Yours sincerely

John Morris

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