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MEDIA RELEASE

USFTA collapse good news for Australian social policies and democracy says Fair Trade Network

"Higher prices for medicines, no Australian content rules in future audio visual media and giving US corporations the right to sue governments were too much to pay for a US Free Trade Agreement," Dr Patricia Ranald, policy manager, Public Interest Advocacy Centre and Convenor of the Australian Fair Trade and Investment Network, said today. "The US also wanted policy changes that would have damaged farmers, including abolition of marketing bodies like the Wheat Board, reduced regulation of GM crops and reduced quarantine rules."

"Our Fair Trade Network of 83 community organisations has argued from the start of negotiations that social policies which have nothing to do with trade should not be negotiated behind closed doors," added Dr Ranald. "The government kept denying that these policies were on the table, but community organisations exposed the real agenda. The US wanted us to adopt many of their rules, like higher prices for medicines, which are clearly against the public interest."

"Even respected trade economists were divided about whether such a deal could deliver economic benefits", said Dr Ranald. "Our predictions that Australia was in a weak bargaining position and that powerful US farm lobbies would prevent any real agricultural market access also proved correct," said Dr Ranald.

"This experience shows the dangers to democracy of secret trade negotiations when we are not told the details until after the deal is done," Dr Ranald explained. "At present Cabinet makes the deal, and Parliament only gets to vote on some enabling legislation, not on the whole agreement. We call on the government to:

- publish independent research about the economic and social impacts of proposed trade agreements for public discussion **before** starting negotiations
- develop a clear process of community consultation **during** negotiations
- **at the end** of negotiations provide the full text for public debate before a vote by parliament, not just by Cabinet."

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