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MEDIA RELEASE

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Government reports on USFTA mislead Parliamentary Committee says Public Interest Group

"Government reports prepared for the Parliamentary Inquiry on the US Free Trade agreement are at best incomplete and at worst misleading" Dr Patricia Ranald, Policy Manager at the Public Interest Advocacy Centre and convenor of the Australian Fair Trade network of 85 community organisations said today. "The reports fail to mention the devil in the detail of the agreement that pressures Australia into adopting US models of social regulation that most Australians oppose."

Dr Ranald is giving evidence at 11.15 am to public hearing of the Joint Standing Committee on Treaties Inquiry into the US Free Trade agreement held in the Jubilee Room at NSW Parliament in Sydney today.

"The government's National Impact Assessment states that the USFTA has no impact on the 'fundamental architecture' of the Pharmaceutical Benefits Scheme. But it fails to mention changes that give drug companies more power to influence decisions about which drugs are listed for subsidy under the PBS and to seek price rises after drugs are listed. The US Trade Representative has told a US Senate committee that drug prices will rise under this system," explained Dr Ranald.

"The report also fails to mention the joint US-Australian medicines working group with terms of reference which refer mainly to recognising the intellectual property rights of drug companies but not to the Australian principle of access to affordable medicines for all," added Dr Ranald.

"The National Impact Assessment is a public relations exercise, not a credible assessment. It also fails to mention the joint US-Australian Committees on quarantine and technical standards like food labelling. We know the US government regards our affordable medicines, quarantine standards and labelling of GE food as barriers to trade. Setting up these committees through the USFTA gives the US government the power to complain to a trade tribunal about these policies and to have them changed on the grounds that they are a barrier to trade. This will mean continual pressure for us to adopt the (lower) US standards."

"The devil in the detail of the USFTA shows that it will lead to higher prices for medicines, less Australian content in new forms of media and higher costs for libraries and schools through adopting US copyright laws that extend royalty payments by 20 years," added Dr Ranald. "We believe the USFTA is not in the national interest and should be rejected by the Committee."

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