



U.S. SENATE COMMITTEE ON

Finance

SENATOR CHUCK GRASSLEY, OF IOWA - CHAIRMAN

<http://finance.senate.gov>

MEMORANDUM

To: Reporters and Editors
Re: Australian Free Trade Agreement
Da: Monday, Feb. 9, 2004

Sen. Chuck Grassley, chairman of the Committee on Finance, today made the following comment on the announcement by the Office of the United States Trade Representative of the conclusion of negotiations for a free trade agreement with Australia.

“I’m pleased that we were able to conclude a trade agreement with Australia. Australia is an important ally, and we need to do all we can to ensure a healthy and vibrant trading relationship. However, I’m also disappointed by several aspects of the agreement. First, the agreement could establish a dangerous precedent because it completely excludes a product from the agreement. Second, the agreement doesn’t include an investor-state dispute resolution mechanism. That seems inconsistent with the negotiating objectives spelled out under Trade Promotion Authority. And third, I was surprised to learn the agreement contains an apparent ban on the reimportation of pharmaceuticals. This is an important issue that Congress is currently debating. Given the importance of this issue, I don’t understand why it wasn’t raised earlier in the negotiations. I’ll be reviewing the effect of this provision closely over the next few weeks.”