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Australian cheap medicines, tobacco regulation at risk from Trans Pacific Trade Deal, says Fair Trade group

Talks resume this week in Auckland, New Zealand, for a Trans Pacific Partnership Agreement (TPPA) between Australia, the US and seven other countries.

The Australian Fair Trade and Investment Network warns that the TPPA could put at risk access to affordable medicines through the Pharmaceutical Benefits Scheme (PBS), and regulation of tobacco advertising.

The talks involve the USA, Australia, New Zealand, Chile, Peru, Singapore, Brunei Vietnam, and Malaysia, in negotiations based on the bilateral free trade agreements the US has with four of these countries. This resurrects the issues that were debated in the US-Australia Free Trade Agreement in 2004.

“The US has no regulation of medicine prices, which are three to ten times higher in the US than in Australia. Submissions from US pharmaceutical companies to the US Trade Representative are demanding changes in the TPPA negotiations which would raise the wholesale prices of medicines in Australia, threatening our access to affordable medicines through the Pharmaceutical Benefits Scheme. We urge the Australian government to say no to these demands,” said Harvey Purse, AFTINET campaigner.

“Other US business groups want an investor-state complaint process which would give special rights to international corporations to sue governments for damages. Public opposition kept this out of the US-Australia Free Trade agreement, but US business is demanding it again in the TPPA”.

“Tobacco giant Philip Morris is currently using this process to sue the Uruguayan government because it introduced restrictions on tobacco advertising. The Australian government’s plans for plain packaging of cigarettes could be subject to the same kind of legal challenge if tobacco companies had access to investor-state dispute settlement in the TPPA. Australia. Philip Morris’ public submission to the US Trade Representative on the TPPA lobbies for this right to sue governments. We urge the Australian Government not to hand tobacco companies a weapon to use against their own plain packaging legislation,” said Harvey Purse.

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