

1 May, 2005
David E. Smith

China FTA Task Force
Department of Foreign Affairs and Trade
John McEwen Crescent
Barton. ACT
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Dear Task Force Chairman,

China FTA Submission

I do not consider that a free trade agreement with China is in Australia's best interests in both economical and security terms for the following reasons.

*** Loss of Manufacturing Industries.**

In the event of a FTA, Australia would suffer the loss of many of its manufacturing industries. Already, without a FTA we have witnessed the loss and transfer of many such industries to China

The alarm bells are at this period of time already ringing in America and the E.U. re the loss of manufacturing industries to China.

*** Skills and Jobs Loss**

The above would decimate research and development of Australian industries and the loss of skills by our workforce. Many disciplines would be lost either forever or would take many years to reinstate.

*** Currency Float**

Currently China does not float its currency and there is no evidence that China will at any time in the foreseeable future alter course and change its methods.

Certainly not a level playing field.

*** Australia the Mine.**

There exists in some areas of Australian Society the attitude that Australia should be (industrially) no more than a mine. Simply dig out the minerals and ship it overseas. While such mining industries are of great value to Australia, we should be looking toward end products.

*** Security.**

In the event of an external threat the loss of heavy and light manufacturing industries would place our nation in a perilous position.

In conclusion , the adoption of a FTA with China would be akin to an act of treason against the people of Australia.

Yours faithfully,

David E Smith