

I wish to make a submission concerning the proposed PACER-Plus trade agreement between Australia, New Zealand, and Pacific Island governments.

PACER-Plus has long been promoted as a development and economic cooperation agreement however leaked texts have shown an agreement that will see the majority of the benefits flow to Australia and New Zealand. Papua New Guinea, in its decision to leave the negotiations, described PACER-Plus as a 'net loss'. Fiji is not expected to sign due to their belief, amongst other reasons, that the 'protections' within PACER-Plus are inadequate to protect their infant industries. While Vanuatu's Council of Ministers will seek to have the final decision of whether to sign or not sign PACER-Plus based on an independent assessment – an assessment that needs to be not just on the legal text but, more importantly, on the market access offers.

Civil Society Organisations from across the region and Australia and New Zealand have long held concerns about the impacts of PACER-Plus and those concerns were justified given the assessment in *Defending Pacific Ways of Life: A Social Impact Assessment of PACER-Plus*, as well as the decision of PNG government, Fiji and the process outlined by the Vanuatu Government.

The specific concerns I have with PACER-Plus are, but not limited to:

- **Threatening livelihoods and local industries** - Increased imports from Australia and New Zealand, coupled with useless protections and safeguards for Pacific manufactures and producers will undermine the ability of Pacific governments to set a development future based on Pacific industries. Some have forecast the loss of 75% of Pacific manufacturing jobs under PACER-Plus;
- **Negative health impacts** - Non-Communicable diseases are a major problem in the region and commitments under PACER-Plus will see those exacerbated due to an increase in cheap, unhealthy foods as well as threats to healthy, culturally appropriate food production. This is coupled with the potential brain drain of health professionals out of the Pacific as well as potential undermining of health services;
- **Gendered impacts** - The majority of Pacific women are engaged with the infant industries and the informal sector with PACER-Plus exacerbating that vulnerable position. As such Women will experience the negative impacts of PACER-Plus the most, from loss of formal employment, gender-based barriers to trade, and additional care burdens amongst others;
- **The loss of the right of governments to regulate** - The ability to regulate allows governments to shape the economy in the interests of development, environmental/cultural protection and human rights. The current text and the attempts to protect this right are inadequate and at worst meaningless due to their requirement to not breach a country's commitment, rendering any right to regulate below the commitments in PACER-Plus;
- **The failure of the OCTA** - The Office of the Chief Trade Advisor, the office established to support FIC negotiators, has repeatedly failed to adequately defend FIC positions, often publicly defending the weak offers from Australia and New Zealand. The OCTA's hastily commissioned Social Impact Assessment was a last minute attempt to quieten the voices of civil society but it lacked independence and proper methodology;
- **Lack of development outcomes** - PACER-Plus is underpinned by the belief that trade agreement will facilitate greater investment in the Pacific Island Countries, yet the evidence on this is mixed at best. The push to have the Pacific undertake a legally binding restructure of their economies will benefit Australia and New Zealand investors, not Pacific Island peoples.

The recently released “A Peoples' Guide to PACER-Plus” offers an opportunity to begin a more transparent and accountable conversation about what PACER-Plus means for the Pacific, and I call on our government to undertake such a process.

I believe that PACER-Plus is a biased deal that will do more harm than good to Pacific Island communities by limiting, in a legally binding way, how they can determine their own development. As such, I call on our government to:

- Not sign any PACER-Plus agreement as it currently stands;
- Immediately release the texts of PACER-Plus, including the market access offers;
- Undertake independent analysis on the potential impact/ benefits of Pacer-Plus based on the market access offers;
- Allow national Parliaments to debate PACER-Plus membership before making any commitments.