

Submission to the Joint Standing Committee on Treaties

COVER SHEET

**Submission by
The Vintage Reds of the Canberra Region:**

16 April 2018

**Submission to the Inquiry into the
Proposed Comprehensive Progressive Agreement
on the Trans Pacific Partnership (TPP)
Made by Vintage Reds of the Canberra Region**

Opening Statement:

The Vintage Reds of the Canberra Region are a group of retired trade unionists and hold have grave concerns about the new version of the former TPP.

The Vintage Reds are interested and continue to engage in debate concerning public policy issues. Our concerns about the TPP (and variations of it), are that drafts of the Agreement have little to do with trade and much to do with emasculating our sovereign state of Australia for the benefit of international capital at the cost to the health and wellbeing of our society, economy and governance.

Insufficient information and consultation:

Firstly, this enormous text has been negotiated in secret and has not been tabled long enough to allow sufficient opportunity for public scrutiny. Given widespread dissatisfaction with the earlier version, individuals and groups which have raised a great many concerns in the past can have no confidence that this replacement text will resolve any of them.

Furthermore, there has been no independent cost-benefit analysis or any attempt to discuss the many little-known implications of this agreement. There is no clear indication that the agreement would be in Australia's economic interests.

- *Recommendation 1*

That the agreement not be signed until there has been adequate, informed public debate. This should involve a discussion paper accompanied by an independent cost benefit analysis.

Many concerns raised by experts and civil society groups:

Critics of the proposed Agreement include a wide range of advocates, including eminent economists, prominent jurists, environmentalists, public health associations, trade unions, welfare organisations, digital rights groups and civil liberties groups. Some of these are outlined below.

Public health implications

There are concerns about the public health effects of longer patents for imported pharmaceuticals and especially biologics. These would tragically affect people on low incomes and potentially cost a fortune to the Pharmaceutical Benefits Scheme. Although some of the detail has been left pending, there is a risk that that health services generally may be extremely adversely affected.

- *Recommendation 2*

Australia should not agree to longer patents on pharmaceuticals or biologics, or to an agreement which leaves these questions suspended pending future inclusion of the United States. We should not agree to any provisions which may undermine Australia's health care system.

Internet use and extensions to copyright periods

Many groups have expressed concerns about restrictions on internet use and higher prices for downloads, causing increasing costs to consumers. Likewise any extension of copyright length will affect the rights of consumers and lead to higher costs.

- *Recommendation 3*

There should be no further restrictions on internet access, no extensions of copyright and no additional costs should be imposed on the public.

Health and safety regulations

Public health organisations and unions have grave concerns about the possible lowering of safety standards for food and imported materials and the lowering of occupational health and safety standards and other working conditions.

- *Recommendation 4*

There should be no relaxation of long developed Australian standards on food health or occupational health and safety.

Provisions covering entry of foreign workers

Apparently, the agreement permits virtually unrestricted numbers of overseas workers from Vietnam, Malaysia, Japan, Canada, Mexico and Chile to work in Australia, all without labour market testing and without reciprocal rights for Australian workers. We note that this provision contradicts the Australian Government's claims to have reintroduced labour market testing for foreign workers.

- *Recommendation 5*

It is Australia's responsibility to ensure jobs for Australian workers and not allow jobs to be filled by overseas workers without properly testing the local labour market first. If there is a lack of skilled Australian workers, our education and training system needs to be developed to fill any gaps in our skills requirements.

Effects on services

There are concerns about fostering the outsourcing of even more government services, despite the recent revelations about widespread fraud, rorting and ripping off the most vulnerable people in our society by a wide range of privatized services.

Furthermore, the government's ability to regulate services will be frozen after the agreement comes into effect. This will prevent future governments from changing regulations in response to problems or "market failures" which may arise. It will prevent future governments from taking over services if corporations fail to perform them adequately.

- *Recommendation 6*

Australia should not use secretive trade agreements in order to force privatisation of even more service industries in the light of the failures to date. Actions by this government must not be allowed to prevent future governments from regulating services which are not performing in the public interest.

Environment and climate change

The provisions in the chapter on the environment are not enforceable. Regardless of Australian regulations, foreign corporations will be able to challenge any attempt to protect the environment using the ISDS provisions. There is not even any mention of climate change anywhere in the agreement.

- *Recommendation 7*

There must be strict provisions included in the agreement to protect our environment from air, water and soil pollution and to protect our native animals and plants.

Inter State Dispute Settlement Provisions

The Inter State Dispute Settlement (ISDS) process will allow international corporations to challenge Australian law in offshore courts run by corporate lawyers and lacking appropriate safeguards, such as being bound by precedent or allowing governments a right of appeal against their judgements.

Through this mechanism, corporations could sue Australia for introducing or even maintaining policies or legislation which may threaten their profits. Many governments have been sued over issues such as trying to monitor or reduce pollution from mining operations, for restricting dangerous materials or even for increasing minimum wages in line with increases in the cost of living.

This makes a mockery of democracy, as legislation passed by elected Australian governments (including local and state) could be overruled in the interests of corporate profits. Allowing this would destroy our national sovereignty.

It should be noted that the inclusion of an ISDS (which even John Howard rejected in the Australia-US Free Trade Agreement) will not be subject to legislation, so will not be debated in Parliament. It will be introduced by the executive, simply by the process ratifying the agreement.

Introducing ISDS without the consent of the Parliament (not to mention state and local levels of government) would bind future governments by restricting their ability to develop law and policy in the national or local interest. This would make a complete mockery of our claims to being a democracy and would also undermine states' rights.

Furthermore, the European Court of Justice has ruled that ISDS undermines national legal autonomy and is incompatible with the law of the European Union. Further, although the United States tried (unsuccessfully) to get Australia to agree to ISDS in the AUSTFA treaty, US representative Lighthizer has argued that the US should withdraw from ISDS arrangements in the North American Free Trade Agreement because this provision is a threat to US domestic laws.

- *Recommendation 8*

No Australian government should ever agree to ISDS provisions in any trade agreements.

Conclusion:

For more detailed information, please refer to our previous submissions on these matters provided to Parliamentary Inquiries into trade treaties.

Jane Timbrell

Convenor

Vintage Reds of the Canberra Region

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