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SUBMISSION

On behalf of the *Combined Pensioners and Superannuants
Association of NSW Inc (CPSA)*.

To the *Joint Standing Committee on Treaties (JSCOT)*.

**Re: Opposition to *Singapore/Australia Free Trade Agreement
(SAFTA)*.**

22nd April 2003

Preamble

At the very outset the *Combined Pensioners and Superannuants Association of NSW Inc. (CPSA)* wishes to state its utmost opposition to all so called 'free trade' agreements in view of the undemocratic and secretive fashion in which these 'agreements' are arrived at.

We believe that the heaviest burden of disadvantages created by 'free trade' agreements will fall on the most needy Australians, many of whom are members of our Association.

In this case we write to express our trenchant opposition to the so called *Singapore/Australia Free Trade Agreement (SAFTA)*. We particularly decry and condemn the 'negative' listing method applied in this 'agreement' for the inclusion/exclusion of items to be traded away.

As has become the unacceptable norm of these 'free trade agreements' (FTA), SAFTA has been secretly negotiated and is undemocratically being forced upon the people of Australia. No opportunity has been given for ordinary Australian citizens to review and, indeed if so deemed by the people of Australia, to reject the agreement because that would be the democratic way.

We perceive the bitterest irony in the situation whereby the Federal government has shown a willingness to spill Australian blood on foreign shores allegedly to install democracy when it shows such scurrilous disregard for Australian democracy and sovereignty in connection to 'free trade agreements'.

We submit that no 'agreement' has been sought from, or been given by the Australian populace or of its democratically elected representatives in Parliament. How can this possibly be termed as 'democratic'?

On the contrary, all so called 'free trade agreements' including the unwelcome SAFTA have thus far been attempted to be concluded secretly by the Australian government away from the popular and democratic gaze and the possibility of popular veto.

Surely this cannot be allowed, without thoroughly distorting or even destroying the fragile democracy so valued in Australia and without rendering the Federal governments' rhetoric on democracy a gigantic hypocrisy!

An opposition declaration is called for, and must be made, to the effect that any agreements entered into by the current grossly deformed process will not be adhered to by incoming governments of opposition politics. The current process must be declared illegitimate and illegal and be subject to future repudiation.

We thoroughly deny the increasing habit of the Cabinet to usurp more and more of our popular, democratic process as more and more issues are added to the list of 'Cabinet only' decision making, as if war-making was not enough!

Accordingly, at this beginning of this submission we call upon a MORATORIUM on this (SAFTA) and all other so called 'free trade agreements' until all legitimate, democratic processes are instilled into any trade agreement negotiations involving Australia, these we contend, being as follows:-

POPULAR CONSULTATION & PARLIAMENTARY OVERSIGHT NON-EXISTENT.

CPSA condemns the process and the Federal government, both of which concentrate on the needs of the 'big end of town' to the almost total exclusion of ordinary citizens and the social needs of Australians.

No warning was given prior to the commencement of negotiations and no opportunity given to citizens or their elected representatives, pressured by their electors, to reject either in part or totally any 'free trade' negotiation seen as unacceptable by the people.

CPSA condemns the Federal government's reported indecent haste to begin to implement the SAFTA tariff removal legislation prior to the conclusion of the ONLY proposed public review of these discreditable negotiations by the *Joint Standing Committee on Treaties* (JSCOT). This, in our opinion, already being far too little, far too late.

Furthermore, we consider the JSCOT review to be insufficiently empowered and lacking major citizens' input, which should be the only REAL consideration in a so-called democracy such as Australia. Nor do we retain any confidence in the proposal of the first yearly review of the unwelcome SAFTA agreement should this catastrophe be initiated. This lack of confidence being generated by the DFAT statement that "The Australian delegation will take into account the views of stakeholders such as industry and relevant government departments for the first review." What of the citizens' views?

The above DFAT statement clearly displays the grimly distorted view that the 'big end of town' comes first. Where or when are the views of the majority of ordinary citizens to be heeded as democracy dictates?

We therefore recommend on this subject matter that:

- (a) No legislation relating to SAFTA be contemplated, introduced or passed by Parliament until a proper democratic process is instilled into negotiations including the completion of the JSCOT review.
- (b) In relation to the JSCOT SAFTA review, a wide-ranging, genuine public community consultation process be undertaken.

'NEGATIVE LIST' - INVITING LARGE SCALE BURGLARY.

CPSA is appalled at the suggestion that Australia's living standards should be 'negative listed' out of existence as proposed in the SAFTA agreement apparently with, in our opinion, the culpable concurrence of the Australian government.

We are mindful of the fact, mainly due to the 'reverse listing', that negotiators describe SAFTA as a "GATS plus" agreement (JSCOT transcript 24th March, pages 4-6). We perceive this "GATS plus" representation of the SAFTA agreement to equate the much despised and totally rejected *Multilateral Agreement on Investment* (MAI) and equally deserving of the utter rejection meted out to MAI.

We are furthermore, discomfited by the suggestion that the SAFTA 'negative list' approach is to be used as a model for the *U.S- Australia Free Trade Agreement* (USAFTA).

It is hard to believe that Australia's participation in so called 'free trade' agreements will do any more than subject Australian living standards to some massive 'con' tricks as has already been demonstrated by the disdain shown to Australia in trade matters by the U.S and the E.E.U.

We believe that Australian trade is considered to be a mere 'minnow', not only by the two above-mentioned scheming giants but by many others including Singapore whose democratic credentials are questionable to say the least.

We therefore call on JSCOT Committee:

Not to support the 'negative list' model proposed for SAFTA and any other 'free trade' agreement. This, mindful of the fact that a similar proposal namely, MAI has already been soundly rejected.

CURRENT 'FREE TRADE' PROCESS REMOVES DEMOCRATIC GOVERNANCE.

The concept that the popular wish expressed in the normal democratic fashion could be termed as “more burdensome than necessary” and a “barrier to trade” which must be removed is preposterous. So what if the above descriptions are indeed applicable? Security, whether at the domicile, locally or globally is indeed “burdensome” and “a barrier to trade”, however it is in normal, pre ‘free trade’ times deemed absolutely necessary and meant to over-ride every other consideration and we insist that this is STILL the case.

We submit that In the case of the SAFTA proposal in common with other undemocratic ‘free trade’ proposals, security of Australia’s living standards are being placed in jeopardy and we contend that many, if not all necessary “burdensome” “barriers” should be maintained for this reason alone. We believe it is a fantasy to expect “fairness” from the major trading ‘con’ artists of the world.

In another important field of security, we use the topical example of the threat to Australia posed by the possible influx of the SARS medical condition. We perceive that *Singapore Airlines*, for example, may take legal action against the activation of Australian quarantine laws because they were “more burdensome than necessary” or a “barrier to trade”.

Given that the threat of SARS has been an unforeseen occurrence, we state that it is possible that there are other such future unforeseen potential calamities for which our government needs to be able to act in a “burdensome” and “trade barrier” –like manner to protect Australians from such events. We contend that SAFTA will weaken Australia’s security in this way, sometimes in the face of normally imperceptible (until it is too late), but nonetheless grievous danger.

We perceive a number of such instances as described above where government regulation must remain intact. However as space and time will not permit a fulsome listing, suffice to say that it would be calamitous for our elected government to have anything less than full,

complete and open ability to implement popularly required regulations even at the drop of a hat where necessary.

**We therefore call on the JSCOT committee to:
Oppose restriction on the ability of government at all levels in Australia to regulate investments, essential and/or emergency services.**

PEOPLE'S VOICE SACRIFICED.

The people's capacity to defend locally achieved standards in social services, environment, standard of living etc. will be gravely threatened by the suggestion that corporations will be able to sue governments if said governments have in place laws which may be inconsistent with FTA agreement. CPSA opposes this proposal and to the contrary, calls upon the strengthening and making more defensible the sovereign right to make laws on social services, the environment etc.

We perceive that the ability of corporations to sue will place far too much power in the hands of non-elected foreign individuals who are already too powerful. The effect of this misplaced power in our opinion will be to displace the right of ordinary people to enforce their will through the electoral process.

**We therefore call on JSCOT Committee to:
Oppose the investor state complaints mechanism for its corrosive effect the democratic process.**

KEEPING THE SO AND SOS HONEST.

The people should at all times possess the ability, through their elected government, to support their own industry, development and social services through government purchasing power. CPSA is therefore opposed to the inclusion of 'national treatment' rules in SAFTA or any other FTA.

We contend that, aside from government regulation, government purchasing policy, apart from encouraging local industry, development etc., would and does play the important role of "keeping the So and sos honest" – something much needed, and increasingly

so, when one witnesses the behaviour of the many corporate cowboys and bushrangers e.g HIH, ENRON and many others the world over.

We therefore call on JSCOT Committee to:

Reject the 'national treatment' proposals and any restrictions to the right of government to use purchasing policy to promote local industry, development and social services.

CONCLUSIONS:

CPSA would have thought that the print and electronic media and the Opposition Parties would, and should, have been aware that these secret discussions had taken place.

We therefore express concern and disappointment that no action was taken by the above mentioned parties to protect Australian citizens' interests and to prevent further loss of Australian sovereignty as proposed by the Federal government when acting to unreasonably support SAFTA without popular imprimatur.

Signed for CPSA,



M. C. Mifsud JP.
State President.