



## **BULLETIN: January 2017**

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### **A big year ahead**

2017 is shaping up to be another busy year for AFTINET as we continue our TPP, RCEP and TiSA campaigns as well as monitor five other trade agreements currently being negotiated by the Australian Government.

This month our main focus is on ensuring that the dead TPP's implementing legislation is not passed in Parliament.

Despite the US withdrawal, confirmed today in a [statement](#) released by President Trump, Prime Minister Turnbull may push for the deal to be ratified in Australia. We are asking you to help ensure the legislation is rejected in the Senate.

Please use our [online form](#) to ask Labor's Shadow Trade Minister Jason Clare not to endorse the failed TPP and share the link with your networks.

You'll find more information about Labor's position and why it's so important that the TPP is rejected below.

## US withdraws from TPP but Turnbull may try to ratify dead agreement

Shortly after his inauguration today President Donald Trump [confirmed](#) the US withdrawal from the TPP.

The text of the agreement makes it clear the current deal cannot come into force without the US as the largest economy. Even in the unlikely event that there are moves to proceed without the US, this would require a different text to be renegotiated and signed, and the whole parliamentary process would have to start again.

Despite this, the Government may try to ratify the dead TPP in Australia. After recent talks with Japanese Prime Minister Shinzo Abe, PM Turnbull [confirmed](#) he would push for a vote in Parliament, with the aim to put pressure on the US to implement the agreement despite Trump's opposition.

[Labor](#), [The Greens](#) and the [Nick Xenophon Team](#) have all declared they won't support the dead agreement. Together, they have a majority in the Senate and would be able to block the ratification of the agreement if they vote against the implementing legislation. They also have a majority on the Senate committee inquiring into the TPP which is due to report on February 7. This report is expected to recommend against ratifying an agreement that will not proceed.

However, despite Labor leader Bill Shorten [calling](#) the Coalition's campaign for the dead TPP "a waste of time," Labor has not yet decided how it will vote on the TPP's implementing legislation. When questioned by the ABC, Shadow Trade Minister Jason Clare said that the [Shadow Cabinet would make that decision](#) if and when the Government introduced the legislation into Parliament.

[AFINET](#) and the [ACTU](#) both released statements condemning the TPP for human rights, labour rights and environmental reasons, and calling on Labor to reject the implementing legislation. This criticism is not against trade itself but against unfair trade deals, and these values are the [opposite](#) of those expressed by Trump and other far right groups.

## Why the Senate must block the dead TPP

Not only would it be futile to ratify an agreement that would never come into effect but it would also be damaging for future trade debate in Australia.

The TPP had many [fundamental flaws](#) which would have been damaging for our democracy, public health, workers' rights and the environment. It would have brought [few economic benefits](#) and resulted in [39,000 net job losses](#).

Although the TPP is dead for now and won't come into effect even if Australia does ratify it, it would be a bad precedent if a majority in the Senate endorsed a failed and unfair agreement.

Voting no would send a strong message that better quality trade deals are needed in the future – trade deals which support rather than undermine labour rights, access to medicines, and democratic rights to regulate in the public interest.

In particular, it would be an important step towards ensuring that the TPP is not used as a model for other trade agreements such as the RCEP, which could be finalised by the end of this year.

**Take Action:** Ask Labor to reject the TPP by [sending a message to trade spokesperson Jason Clare](#).

## 10 things you need to know about TiSA

While global attention has been focused on other trade deals, such as the failed TPP, governments and corporations have been working hard to push through the Trade in Services Agreement” (TiSA).

Negotiations have been shrouded in secrecy but [leaked documents](#) show that global services corporations and some governments are using the deal to push a deregulation and privatisation agenda.

A deal could be reached as soon as early 2017. Here’s what you need to know.

### 1. It's massive, but excludes most low income countries

All 28 EU member states, as well as the United States, Australia and 20 other mostly high income countries\* are involved in TiSA negotiations, meaning the deal will cover around [70 per cent](#) of global trade in services.

Emerging economies like Brazil, India, China, Russia, and over 100 developing country WTO members are not included in making the rules, but would be pressured to join later.

### 2. Negotiations are secret

TiSA negotiations are held behind closed doors, with very little public consultation and no public access to negotiating texts. But ‘corporate advisors’ representing [global services companies](#) have access to negotiators to push their deregulation and privatisation agendas.

### 3. Almost all services will be affected

TiSA could set rules affecting almost all service provision including education, healthcare, transport, water, telecommunications, postal services, aged care, child care, energy, retail and banking services. These are services which many of us use each day. It’s claimed that “public services” are not included in the negotiations but the TiSA definition of what constitutes a public service is very ambiguous.

### 4. De-regulation is the aim

Instead of reducing tariffs on goods, TiSA aims to reduce government regulation on services, by freezing regulation at current levels and reducing it over time. This suits global services corporations but not peoples’ needs.

Many services require regulation or public provision to ensure that they are delivered safely and equitably. For example, in democratic societies like Australia we expect government to ensure that everyone has access to services like healthcare and education. Likewise, natural monopolies, such as electricity generation, water and transport require regulation to ensure access and protect consumers.

TiSA could prevent or limit future regulation needed to achieve these goals.

### 5. Hidden privatisation agenda

The TiSA [pushes for the privatisation](#) of public services in many ways: through its ambiguous definition of what constitutes a “public” service, by allowing greater accesses to services markets for global corporations and through rules which will make reversing a decision to privatise almost impossible.

Privatisation is a politically sensitive issue in Australia where, according to the chair of the Australian Competition and Consumer Commission, it has often [failed to deliver](#) promised outcomes, led to price rises for consumers and damaged the economy. Any decision to privatise or to reverse a

privatisation should be made through an open democratic process and should not be bound by rules made in secret trade negotiations.

## 6. Re-regulation not an option

TiSA would stop governments from putting stronger regulations in place in the future, limiting their ability to respond to future crises or changed circumstances.

For example, the TiSA would have limited government regulation of the financial sector in response to the global financial crisis in 2008.

Deregulation and private tendering for Australian [vocational education services](#) resulted in fraudulent advertising, failure to provide courses to students and misuse of government funds. If TiSA had been already in force, it could have prevented the government from [re-regulating](#) the vocational education sector, because of commitments which prevent future increases in regulation.

## 7. Race to the bottom on quality, safety, more temporary workers

TISA rules for licensing, qualifications and service standards not to be "burdensome" could prevent future improvements in staffing and qualifications in industries like child care and aged care.

TISA also has provisions to increase numbers of temporary overseas "contractual service providers" without testing if local workers are available. Studies show these workers are [vulnerable to exploitation](#), which can undermine wages and conditions in those industries.

## 8. Online privacy at risk

Governments could effectively [lose their ability](#) to protect their citizens' personal data through national laws. TiSA rules could bypass national privacy laws and enable personal data to be stored in countries which do not have effective privacy laws.

## 9. Limited regulation for future services

Trade agreements like the TiSA bind governments for decades, limiting their ability to respond to future challenges like climate change, corporate tax evasion or another financial crisis. TiSA could also prevent regulation of future [new services](#) - that is, services which have not even been invented yet.

## 10. TiSA could be signed this year

Negotiators had aimed to finish TiSA negotiations in 2016, but this was abandoned after a November ministerial meeting was cancelled, in part due EU concerns over data privacy, market access and the regulation of new services. However, negotiations are in their final stages and the new aim is for conclusion in early 2017.

\*The TiSA negotiators are Australia, Canada, Chile, Colombia, Costa Rica, European Union (28 countries), Hong Kong, Iceland, Israel, Japan, South Korea, Liechtenstein, Mauritius, Mexico, New Zealand, Norway, Panama, Pakistan, Peru, Switzerland, Taiwan, Turkey, and the United States

### **Take action**

There are two ways you can help campaign for a fair deal in TiSA:

- 1) [Share this article on social media](#)
- 2) [Send a message to Trade Minister Steve Ciobo](#)

## RCEP negotiations scheduled for end of February in Japan

RCEP continues to be a major campaign focus this year. The next round of negotiations is to be held in Japan in late February and early March – keep an eye on our website for related news and actions.

In the meantime, you can learn more by reading our explainer, [Is the RCEP the TPP by another name?](#) and a new [research paper](#) published in *Third World Resurgence* which outlines our concerns about stronger monopolies which would delay cheaper medicines and the continuing lack of transparency.

## Other trade deals under negotiation in 2017

Including the TPP, TiSA and RCEP there are eight trade deals AFTINET will be monitoring this year.

The others are:

1. **Australia-Indonesia FTA:** This is now a main priority for government with the aim to finish mid-late 2017. Key issues include ISDS, movement of temporary workers and stronger medicine monopolies. [Read more.](#)
2. **PACER-Plus:** The 2016 deadline for completion was missed after PNG withdrew from the negotiations and Fiji announced that it does not agree with the final text. We are concerned about the deal having negative impacts for Pacific Islands on local employment, government revenue, access to services, health outcomes and food security. [Read more.](#)
3. **Australia-India FTA:** Negotiations remain on hold but may resume this year. Major issues include ISDS and temporary migrant workers. [Read more.](#)
4. **Australia-EU FTA:** Talks will begin in 2017 towards an FTA with the EU. A possible separate FTA with Britain cannot begin until Brexit is complete. [Read more.](#)
5. **Three ongoing WTO negotiations:** Negotiations are ongoing at the WTO for the Information Technology Agreement and Environmental Goods Agreement. Australia is also seeking to join the WTO Government Procurement Agreement, which would lock in restrictions on local content. [Read more.](#)

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