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Australian Fair Trade
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MEDIA RELEASE

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China FTA based on flawed Feasibility Study and neglects workers' rights

“Predictions of economic gains from the China Free Trade Agreement in the Feasibility Study are flawed and misleading”, said Jemma Bailey today. Ms Bailey is the Trade Justice Campaigner with the Public Interest Advocacy Centre and the Australian Fair Trade and Investment Network of 90 community organisations (AFTINET). She attended a roundtable on the China FTA organized today by the Department of Foreign Affairs and Trade. This was the first opportunity for stakeholders to discuss the feasibility study, which was not released until after the decision to proceed with negotiations.

“Claimed benefits in the Feasibility Study are based on assumptions that *all* trade barriers across *all* sectors will be removed by 2006. The Government admits that these assumptions are not valid. The negotiations will not be finalised by 2006 and China is reluctant to remove all trade barriers in the key areas of agriculture, services and investment”, explained Ms Bailey.

“The Feasibility Study ignores concerns about workers' rights and environmental protections raised by community groups. China's manufacturing export industries employ 90 million workers, mainly young migrant women. They work 14 – 16 hour days, 6 – 7 days per week to fulfill export contracts for brand name transnational corporations like Nike and Mettel. Studies by scholars like Anita Chan from the Australian National University show that China's labour laws are not enforced and that workers lack effective rights to improve their conditions. Real wages have fallen for many of these workers over the past 12 years”, said Ms Bailey.

“Transnational corporations are moving investments from developing countries like Mexico, as well as from Australia, to take advantage of this lack of workers' rights. A free trade agreement without protection of workers' rights will mean a race to the bottom on labour standards in the region”, explained Ms Bailey.

**Contact Jemma Bailey 0401 666 434 (after 3pm)
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