



**AFTINET**  
Australian Fair Trade  
& Investment Network Ltd

128 Chalmers Street  
Surry Hills, NSW, 2010  
Phone: 02 9699 3686  
Fax: 02 9699 3717  
Email: [campaign@aftinet.org.au](mailto:campaign@aftinet.org.au)  
ACN 097 603 131  
ABN 83 659 681 462  
[www.aftinet.org.au](http://www.aftinet.org.au)

**MEDIA RELEASE**

**April 14, 2016**

## **Stop rush to finish India and Pacific Island trade deals before elections**

“Trade Envoy Andrew Robb’s [stated intention](#) to complete secret negotiations on the India FTA in the next six weeks could violate the [Caretaker Convention](#) which states that governments should not finalise trade deals in the election period, which is likely to be from May 11 to July 2,” AFTINET Convener Dr Patricia Ranald said today.

Dr Ranald said that final negotiations are also scheduled in June for the PACER-plus trade deal with the Pacific Islands and there are ongoing bilateral negotiations with WTO members on the WTO Government Procurement Agreement. Other trade negotiations are ongoing, but finalisation is not imminent.

“These negotiations are conducted behind closed doors and the final text is not released until after legal checking, which usually takes at least a month, so the text would not be available until after the elections. For example, a rush to finish the India FTA would result in a blast of publicity about the claimed benefits of the agreement before the election without publication of the text, meaning that both costs and benefits could not be scrutinised before the election. This is undemocratic.

We know in the case of the India FTA, that controversial issues like foreign investor rights to sue governments over changes in domestic law and increased numbers of temporary overseas workers are on the agenda as in previous agreements. Democracy demands that these negotiations should not be finalised before the election,” said Dr Ranald.

“In the PACER-plus negotiations, Pacific Island Countries have not agreed to proposals which they believe would reduce their [rights to regulate](#) and [reduce their local industry development capacity](#). They should not be pressured to do so before the elections.”

AFTINET has written to both Trade Minister Ciobo and Shadow Trade Minister Wong, quoting the Caretaker Convention, and asking for assurances that none of these deals will be finalised before the election. See letter attached below.

**Contact Dr Patricia Ranald 0419 695 841**

The Hon. Steve Ciobo  
Minister for Trade and Investment  
Parliament house  
Canberra

April 11, 2016

Dear Mr Ciobo

**Re: Election caretaker period and India FTA, PACER-plus agreement and WTO Procurement Agreement negotiations**

With the recall of Parliament on April 18 and the strong possibility of an early election to be announced on May 11 and held on July 2, we would like to draw your attention to the fact that the Trade Envoy<sup>1</sup> has said he wishes to finalise the FTA with India in the next 6 weeks. There is a timetable to complete PACER-plus negotiations between Australia and 14 Pacific Island countries by the end of June. There are also ongoing negotiations for Australia's accession to the WTO agreement on Government Procurement.

The document entitled [\*Guidance on Caretaker Conventions\*](#) from the Department of Prime Minister and Cabinet produced in 2013 states at paragraph 5.1-2<sup>2</sup>:

“The convention that the Government avoids entering major commitments during the caretaker period gives rise to particular issues in the context of international negotiations. The Government ordinarily seeks to defer such negotiations or adopts observer status until the end of the caretaker period. The other parties to the negotiations, however, may not be familiar with the concept of caretaker conventions and the Government may need to explain the constraints they impose.

If deferring involvement or adopting observer status is not feasible, the Government could limit its role to providing information on its past position, without committing the incoming government to that position. If it is necessary for the Government to participate fully in the negotiations, it should advise the other parties to the negotiations that any outcomes will need to be authorised by the incoming government, or it could seek the Opposition's agreement to negotiating positions”.

**India FTA (Australia-India Comprehensive Economic Cooperation Agreement)**

The Trade Envoy has said he wishes to finalise the FTA with India in the next 6 weeks, which could fall within the caretaker period if an election is announced on May 11. We understand that these negotiations involve controversial issues like the inclusion of ISDS provisions, expansion of temporary movement of people provisions and removal of labour market testing for contractual service providers. We believe it would be a contravention of the caretaker Convention to complete these negotiations before the election.

**PACER-Plus**

We understand that there is a meeting of negotiators planned for May and a Ministerial Meeting planned for June, which are intended to finalise the text of the PACER-plus agreement. Both of these meetings could fall within the pre-election caretaker period.

We note that three of the largest Pacific Island Countries, Papua New Guinea<sup>3</sup>, Fiji<sup>4</sup> and the Solomon Islands<sup>5</sup> have publicly stated that they are very dissatisfied with key aspects of the current PACER-plus proposals and are not willing to reach agreement on those terms.

AFTINET shares the concerns of these governments about the impact of PACER-plus proposals on local industry development capacity, government revenue capacity, and the right to regulate to support development policies and public services.

We ask that there be no finalisation of these negotiations in the caretaker period.

## WTO Government Procurement Agreement

We understand that some governments have responded to Australia's offer made in September 2015 on Australia's accession to the Government Procurement Agreement, and negotiations are ongoing. We ask that there be no decisions about offers or finalisation of negotiations in the caretaker period.

### Summary

We are seeking undertakings from you on behalf of the Government that you will abide by the Caretaker Convention, inform the other parties of its obligations under the Caretaker Convention, and make no attempt to finalise any of these negotiations before the federal election.

We are also seeking undertakings from the Opposition that it will not agree to any finalisation of these or any other trade negotiations any negotiations before the election.

We look forward to your prompt reply

Yours sincerely



Dr Patricia Ranald  
Convenor, Australian Fair Trade and Investment Network

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<sup>1</sup> Andrew Robb quoted in the Sydney Morning Herald, April 9, 2016, <http://www.smh.com.au/comment/andrew-robb-pushes-aside-pessimism-and-backs-china-20160408-go1xi4.html>

<sup>2</sup> Department of Prime Minister and Cabinet, 2013, *Guidelines on Caretaker Conventions*

<sup>3</sup> Loop News, 2016, "Free Trade deal bad for PNG: Maru," March 13, found April 4, 2016, at <http://www.looppng.com/content/free-trade-deal-bad-png-maru>

<sup>4</sup> Chaudhary, F., 2015, "Fiji not ready to commit to PACER-plus trade agreement", December 15, *Pacific Islands Report*, found April 4, 2016 at <http://pidp.eastwestcenter.org/pireport/2015/December/12-15-10.htm>

<sup>5</sup> Loop News, 2016, "New and stronger MSG trade agreement needed before finalisation of PACER-plus: Sogavare", March 10, found April 4, 2016 at <http://www.looppng.com/content/new-and-stronger-msg-trade-agreement-needed-finalisation-pacer-plus-sogavare>