

How the Trans-Pacific (TPP) and the China free trade agreement could reduce your rights at work



Under the Coalition Government, Free Trade Agreements are becoming the international version of the government's domestic strategy to reduce workers' rights. Free trade agreements intensify global competition without protection for workers' rights, and give global corporations more rights at the expense of workers' rights.

The Coalition government boasts of its success in completing free trade agreements with Japan and South Korea. It is still negotiating trade agreements with China and India, and the Trans-Pacific Partnership or TPP with the US and ten other Pacific Rim countries. Negotiations are secret, and we won't see the details until the deal is done, but we have some information from leaked documents and industry reports.

These agreements may deliver some increase in Australian agricultural exports to these countries, but can lead to thousands of job losses in manufacturing and services industries, and reduce workers' rights.

Trading off local industries and jobs

All of Australia's major trading partners, including the U.S, Japan and South Korea, give government support to their manufacturing industry. But Treasurer Joe Hockey admitted on December 2, 2014 that the Coalition Government made the decision to end government support for Australian manufacturing, which employs nearly a million workers, as a bargaining chip to secure trade agreements which mainly benefit the much smaller agricultural sector.

The government has also broken its election promise to build our future submarines in Australia, most likely because of a secret agreement with Japan made when it negotiated the Japan free trade agreement.

These free trade agreements reduce all tariffs (taxes on imports) to zero, and encourage off-shoring of service work like Call Centres, intensifying competition and leading to job losses in both manufacturing and services industries.



**Unions at International Day of Protest against TPP
Sydney, November 2014**

Without guarantees of labour rights for workers in all countries to organise and improve conditions, these agreements encourage a global race to the bottom on working conditions. The China FTA contains no commitments from either the Chinese or the Australian government to enforce basic labour rights - a minimum wage, the right to organise unions and the right to collective bargaining, no forced labour, no child labour and no discrimination at work. The TPP was meant to include such commitments, but so far there is no agreement about which basic rights will be included and how they will be enforced.

Special rights for foreign corporations to sue governments over health, environment and workers' rights

Both the TPP and the China free trade agreement will give special rights to foreign investors to sue governments for millions and even billions of dollars in unfair international tribunals over changes to domestic law, which can include health, environment and labour law.

The French global company Veolia is currently using these rights to sue the Egyptian Government for damages over claimed breaches of a contract for waste services in the city of Alexandria. It is claiming millions of dollars of compensation for a rise in the minimum wage which occurred in 2012. See <http://www.bresserpereira.org.br/terceiros/2014/agosto/14.08.injustice-industry.pdf>

But wait, there's more! Both the China free trade agreement and the TPP have other proposals which will harm workers.

The China free trade agreement: more temporary migrant workers without testing whether local workers are available, and no guarantees of workers' rights.

In addition to zero tariffs, special rights for foreign investors to sue governments, the Coalition Government has announced that it has agreed on a special memorandum on temporary migrant workers alongside the China free trade agreement.

This memorandum allows more "flexibility" for temporary migrant workers for any project over \$150 million, a very low threshold which will include most projects, without proper testing of the local labour market for available Australian workers. This could allow China to import whole workforces like they do in Africa and reduce employment opportunities for local workers, especially in mining and construction projects, where unemployment is already rising because of the end of the mining boom.

The Trans-Pacific Partnership (TPP):

- **higher medicine prices**
- **Internet freedom under threat**
- **less local content in Australian media**

The US is driving the agenda on behalf of its global pharmaceutical, media, IT and other corporations in the TPP negotiations with Australia and 10 other Pacific Rim countries.

Pharmaceutical companies can already charge high monopoly prices for new medicines for 20 years, before we can buy cheaper generic medicines, but they want more monopoly rights in the TPP. They also want to undermine government control of medicine prices through our Pharmaceutical Benefits Scheme.

There are also proposals to extend Copyright payments for using creative works by 20 years, increase prison penalties and to force Internet Service Providers to police Copyright rules by reporting breaches, removing online content and denying access to Internet users.

Australia has laws for minimum levels of Australian content in film, television and other media to ensure Australian stories are told and Australia maintains its world class media industry. Without these laws, there would be little Australian content because it is cheaper to import content from the US. Media companies in the US want to reduce or abolish these laws. This would threaten Australian culture, undermine our local cultural industries, and destroy jobs.

What you can do about it:

Take Action!

Tell the Government and Opposition parties to say NO to the China FTA and the TPP!

- **TPP negotiators are meeting on March 13 to try to seal the deal.**
- **Come to a rally March 13, 12.30pm, Department of Foreign Affairs and Trade, Angel Place Bldg, 123 Pitt St Sydney.**
- **Join us at the March in March on March 22, 1pm, Belmore Park at the TPP banner near the stage**

For more information see www.aftinet.org.au

Our website has resources you can use to:

- Send a message to the Trade Minister
- Talk to your local member of Parliament
- Discuss the TPPA with friends, relatives and workmates, or hold a local meeting
- Become an AFTINET member
- Donate to support the campaign
- Find out more

www.aftinet.org.au

**Australian Fair Trade and
Investment Network (AFTINET)**
128 Chalmers St, Surry Hills NSW 2010
Mail: campaign@aftinet.org.au
Tel: 02 9699 3686

