

Saturday 12 June 2021

ACTU/TUC joint statement on proposed UK/Aus FTA

The UK and Australian Government are set to announce an in-principle agreement at the G7 summit this weekend on the UK-Australia Free Trade Agreement that has been negotiated in secret for almost a year.

Workers have been kept in the dark throughout the negotiations, with trade unions not consulted about the text of the agreement and its impact on workers. There has been no independent economic modelling to demonstrate that the Agreement will create good jobs in each country.

The Trade Unions Congress (TUC) and the Australian Council of Trade Unions (ACTU) released a joint statement in September 2020¹ outlining the expectations of workers in both countries about the content of a free trade agreement.

Yet, information available about the negotiations indicates it is failing to meet the goals set out by the unions at the start of negotiations.

The ACTU and TUC call on the Australian and UK Governments to immediately engage with trade unions to address our concerns about the trade negotiations.

There are threats that the UK-Australia trade deal may:

- include Investor-State Dispute Settlement (ISDS), which gives multinational corporations special rights to sue governments over actions that threaten their profits which could include renationalising public services or introducing new workers' rights
- not contain measures to adequately enforce and protect labour rights;
- not contain safeguards to allow governments to maintain skills testing requirements for industries and professions and domestic labour market testing processes;
- contain a 'youth mobility scheme' that does not have adequate measures to ensure the rights of young migrant workers are respected;
- not protect public services from being locked into privatisation;
- not adequately protect the right of our governments to regulate in the public interest;
- not protect the ability of our governments to regulate the digital economy and guarantee protections for personal data.

Quotes from ACTU President Michele O'Neil:

"Yet again the Australian Government is entering into an agreement that puts the interests of corporations ahead of workers. It is critical that the Morrison Government stop signing trade deals with no labour market testing. These deals allow employers unrestricted access to easily exploited temporary migrant workers and undermine the local labour market by driving down wages and conditions. We have also seen the most horrendous exploitation of Working Holiday Makers - with some workers paid as little as \$3 an hour.

¹ https://www.tuc.org.uk/sites/default/files/2020-09/ACTU_NZCTU_TUC_Statement_UK_Trade_Talks_p3.pdf

“The inclusion of ISDS enables UK corporations to sue Australia over changes to public policy - for example, the British aged care company BUPA could claim legal compensation if the Australian Government follows the recommendations of the Royal Commission into aged care and legislates improved staffing levels and quality of care.

“The Australian and UK Governments have rushed to conclude negotiations on this deal, without any public consultation or scrutiny. We call on the governments to be transparent about the contents of this ‘in principle’ agreement, and immediately begin consultations with trade unions about the detail of the agreement.

“Australia knows all too well the dangers of ISDS, having been sued by Philip Morris tobacco company for billions over our plain packaging laws - a case that took years and which Australia eventually won, but still ended up having to pay \$12 million in legal fees. We can’t allow corporations to use ISDS to bully governments into not passing laws in the interests of public health and or to improve services.

“This deal will mean delays in accessing cheaper generic medicines. The Australian Government have caved in to the UK’s demands on patents for pharmaceuticals, which could mean Australians have to wait an additional 3 to 5 years for cheaper versions of medicines to be available. This could cost the PBS hundreds of millions of dollars per year.”

Quotes attributable to TUC General Secretary Frances O’Grady:

“Trade deals can have a significant impact on workers’ jobs and rights, which is why it’s so important unions are involved in discussions.

“Negotiations for this UK-Australia trade deal have been done behind closed doors with limited transparency, but from the little that we do know, there is much cause for concern.

“That’s why we’ve joined forces with Australian unions to voice our concerns loud and clear. First and foremost, this looks like it will be yet another UK trade deal with no enforceable labour standards, which could lead to a race to the bottom on workers’ rights. That is unacceptable.

“And there are other serious issues which could threaten workers’ rights and conditions, like the potential inclusion of a court that would allow foreign investors to sue our government, the failure to protect our public services and the lack of safeguards for workers’ data.

“It’s time the government stopped talking to itself when it comes to trade deals and meaningfully engaged with unions and civil society – starting with this UK-Australia deal. That’s how we get trade deals that work for working people and drive up standards.”

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