

Monday, 17 November 2014

## China free trade agreement must protect Australian jobs

With an announcement on a Free Trade Agreement (FTA) with China expected as early as today, Australian unions are united in calling on the Federal Government to ensure any deal it does protects Australian jobs.

Unions from the manufacturing, resources, construction, services and transport industries have written to both major parties and the crossbench calling for strong provisions to protect the rights of workers.

ACTU President Ged Kearney said that while unions support a fair, transparent and mutually beneficial trading scheme, the Abbott Government must ensure it does not sell out Australian workers.

“Based on media reports, there are several provisions in the agreement that would deal a fatal blow to the manufacturing industry, wreak havoc on our labour market and threaten Australia’s sovereignty.

An FTA with China must:

- Not restrict the ability of Australia to regulate the movement of workers (including labour market testing and quotas)
- Not weaken or limit our ability to improve dumping, countervailing duties and safeguard arrangements
- Not include Investor State Dispute Settlement provisions
- Include a strong and enforceable labour chapter to stop the exploitation of workers acting as a competitive advantage

Ms Kearney said that if the recent Korea Free Trade Agreement is a guide to what is currently being negotiated with China, the impact on jobs will be disastrous.

“Similar provisions on labour mobility will allow Chinese contractors on Australian projects to bring in their own workforce. This removes any benefit of foreign investment since the profits and the jobs for large mining and infrastructure projects will go back to China.”

The Korean trade deal allows employers to nominate Korean workers for visas without having to advertise jobs locally – which unions fear will be replicated in the Chinese agreement.

“Unemployment is already at a 12-year-high of 6.2 per cent. The job of the Australian government is to put interests of Australians first - and that means protecting their jobs and conditions,” said AWU National Secretary Scott McDine.

AMWU National Secretary Paul Bastian said removing or weakening anti-dumping, countervailing and safeguard measures would almost guarantee that Australian markets will be flooded by cheap imports

“This will put even more pressure on our manufacturing industry already facing an uneven trading environment in which China heavily subsidises many of its industries through currency manipulation, exploitative working conditions and behind the border trade barriers.”

Ms Kearney said investor-state dispute settlement mechanism (ISDS) must also be excluded from the negotiations.

“Companies should not be given so much power over national laws and politics. Our Government must be able to take political decisions without being afraid of a multi-national company taking them to court.”

Australian Unions believe all FTAs must include legally binding commitments on the parties to respect the International Labour Organisation's recognition of ILO core labour standards.

"Our national laws and regulations containing provisions on social security, collective bargaining, working time, employment conditions, public health, information and consultation rights and other protections should not be considered as non-tariff barriers to trade," said Ms Kearney.

Signatories to the letter include the ACTU, Australian Manufacturing Workers Union, Construction Forestry Mining and Energy Union, National Union of Workers, Australian Workers Union, Textile Clothing and Footwear Union of Australia, United Voice, Transport Workers Union and the Rail Tram and Bus Union.

**Media contact: Carla De Campo, 0410 579 575 or Kara Douglas, 0418 793 885**