

COMBINED RETIRED UNION MEMBERS ASSOCIATION OF NSW. (Wednesday 12th March. 2025)

To whom it may concern, I as elected Secretary of the Combined Retired Union Members Association (CRUMA) of NSW acting on the behalf of members would like thank you for the opportunity to make a short submission to the review of Australia's bilateral investment treaties with Argentina, Türkiye and Pakistan.

CRUMA members are strongly opposed to the Investor - State Dispute Settlement (ISDS) because it gives special legal rights to corporations in trade and investment agreements to bypass national courts and claim millions or even billions of dollars in compensation if a change in law or policy reduces future profits!

ISDS international tribunals are not staffed by independent judges but by arbitrators where investors can claim that they deserve compensation if they can convince the tribunal that future profits would not be maximised because they were not consulted fairly when the investment was made.

The inconsistency of the ISDS system was shown by the failed case of the Philip Morris Tobacco Company who claimed billions of dollars from the Australian government over the 2012 'plain packaging law' yet it still cost the Australian government \$12m in legal costs!

More recently the manipulation of the ISDS system was dramatised by the fact that Australian billionaire, Clive Palmer who registered his mining company, Zeph Investments offshore in Singapore and is now suing the Australian government with claims using investor rights for a total of \$420 billion because he lost a High Court appeal against the West Australian government who refused to grant him an iron ore mining licence and, also in the Queensland Court he was refused a coal mining licence due to environmental reasons and has now made further claims against the Australian government because he was refused a licence for a coal-fired power plant!

The Palmer cases are prime examples of the failure to protect the Australian government and it's citizens against ISDS clauses in trade agreements with many overseas governments now withdrawing from the process.

Bilateral agreements do not need to include ISDS, they can include general rules that provide fair protections for international investment.

We the members of CRUMA unanimously recommend that the Australian government support the removal of ISDS from agreements and support international initiatives for a coordinated withdrawal from ISDS arrangements in other trade and investment agreements.

CRUMA members are appalled that after working hard all our lives and paying taxes that a multi billionaire mining magnate such as Clive Palmer can move his company offshore and because of ISDS, along with wealthy overseas investors can sue the Australian government for billions of dollars if expected profits don't materialise because of our government's democratic regulatory decisions that protect the environment, worker's rights etc!

PS: Whereas the Australian government may be sued by these mega rich investors, it is we the "taxpayers" that supply the finances to settle claims and I am sure that most Australian citizens see that as a slap in the face therefore, the ISDS has no place in our trade agreements!



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