

Submission Regarding the Trans Pacific Partnership (TPP)

27 February 2015

Introduction:

This submission is presented by the Vintage Reds of the Canberra Region: the Retired Progressive Trade Unionists. As a group, we have only been in existence for a little over eighteen months and we already have nearly one hundred members. Our members have continued to maintain their commitment to the principles of trade unionism and to the trade union movement as an important part of Australia's social fabric.

The Vintage Reds are committed to pursuing union related matters by:-

- Publicly promoting and supporting trade unionism;
- Promoting the interests of trade unionism and of retired unionists particularly in regards to Government policies and practices;
- Providing forums for political discussion and camaraderie.

The Vintage Reds also pursue:-

- a system of fair wages and conditions of employment for all people working in Australia;
- a fairer federal budget and taxation system;
- we encourage voter registration and participation ; and
- the maintenance of the national public infrastructure.

The Vintage Reds are most concerned at the lack of public debate and transparency on the proposed Trans Pacific Partnership (TPP).

We also take the opportunity to acknowledge that the work in this paper was prepared by our member, Ms Pauline Westwood.

Background:

1. The TPP is a controversial and highly secretive "free trade" agreement currently being pushed by big corporations and negotiated behind closed doors by officials from the United States and 11 other countries – Australia, Brunei, Canada, Chile, Japan, Malaysia, Mexico, New Zealand, Peru, Singapore, and Vietnam, with a couple of other countries about to join.
2. The TPP can be seen to support the US geopolitical strategy, as part of its "Pivot to Asia," which is bound up with security in the Pacific and is also about containing China.
3. The TPP has been under negotiation for five years. It was drawn up with the help of 600 US corporations, largely to benefit US business, although non-US businesses may also benefit. More than 600 official corporate "trade advisors" not only have access, but have been instrumental in driving the text.
4. The framework was not prepared in conjunction with the Australian government. It was presented to the parties as a fait accompli. It appears that the US has a take it or leave it attitude to its regulatory framework and in any case, Australia appears to have been pretty passive in response.
5. Australian and other countries general communities cannot see the draft TPP text, and even members of US Congress, after being denied the text for years, are now only provided limited access and sworn to secrecy.

6. The agreement is more about increasing the power and reach of transnational corporations than it is about free trade. Of TPP's 29 draft chapters, only five deal with trade.
7. The rest of the text is about changing sovereign nations legislation (including, Australian), on non-trade matters that affect daily lives, such as the environment, food safety, Internet freedom, cost of pharmaceuticals, financial regulation, labour laws, occupational health and safety, and more.
8. Australian and other sovereign states, domestic policies would be required to comply with the TPP guidelines, and legislation in these areas will have to be amended.
9. It is interesting to note that the US is simultaneously pursuing another treaty with the European Community, known either as TAFTA or TTIP. It is assumed that the basic outlines of both treaties are similar. Between the two treaties, the US will have trade agreements designed on US terms, covering 60% of world trade.
10. It appears that the Europeans have demanded and been given more information about the details than we have, and therefore we the Australian people should be demanding the same information regarding TPP be available to the Australian and other partner countries communities.

TPP likely effects on Australian society:

- Shed even more Australian jobs in the manufacturing and other sectors;
- Reduce wages and further weaken union power to work for better wages and conditions;
- Prohibit banking regulations which protected Australian depositors during the GFC;
- Threaten internet access and impose stringent new copyright restrictions and penalties;
- Increase cost of access to media including music, print and digital;
- Ban "Buy Australian" policies needed to create green jobs;
- Raise the cost of pharmaceuticals by lengthening patents and decreasing access to generics;
- Expose Australian consumers to unsafe imported food products;
- Restrict labelling information on food products;
- Ban labelling of GMO products;
- Empower corporations to attack environmental and health and safety standards;
- Restrict social welfare legislation;
- Reduce government oversight of environmental effects of fracking and other kinds of mining;
- Weaken regulation of agricultural toxins and pesticides;
- Restrict government regulation of foreign ownership of land and other assets;
- Lead to the privatisation of government services with favoured treatment for foreign corporations (including the post office, transport, Medicare);
- Increase cost of utilities, gas, water, electricity sewerage;
- Allow Corporations to take out patents on native plants, undermining Indigenous efforts to harvest and market indigenous food and herbs (*as they did to the neem plant in India*).

Investor-state dispute settlement clause (ISDS)

1. Under the TPP there is a provision allowing foreign corporations to sue Australia and other sovereign states (i.e. taxpayers) for millions of dollars in special foreign courts for any legislation, regulation or policy which affects or may affect their profits.
2. This provision is known as Investor State Dispute Settlement (ISDS). The United States is pushing for all signatories to agree to this provision.
3. ISDS cases can only be brought by foreign corporations against signatory governments. They are heard in overseas tribunals of several judges who are usually corporate lawyers when not presiding.
4. The tribunals are not bound by precedent and there is no appeal from their decisions. They do not take public interest into account. There is no appeal against the decisions of these tribunals.
5. ISDS gives foreign companies greater privileges than local ones. This will encourage Australian companies to relocate offshore, taking jobs and company taxes with them, in addition to enjoying lower taxation and cheaper wages.
6. ISDS has a chilling effect on legislation – meaning that governments will be reluctant to pass any measures that could lead to litigation. *(Thus the NZ government held off on plain packaging legislation awaiting the outcome of the Philip Morris case with Australia who after losing their case twice in Australian court. Philip Morris is currently suing the Australian Government over plain packaging using a foreign court under the provisions of the 1993 treaty with Hong Kong.)*
7. ISDS clauses act as a disincentive to governments suing corporations in national courts for public health, safety, etc. because of the risk of retaliatory ISDS cases being brought against them by the corporation. While corporations can appeal under local law and hold up taking actions, governments cannot appeal an ISDS decision.
8. Australia has ISDS clauses in other free trade agreements, but has in the past always refused to include these clauses in treaties with the USA. This is because US is the most litigious nation and has come close to bankrupting small countries with huge compensation claims.
9. In recent times, the number of ISDS cases has increased (cf Latin America). So have costs, and penalties awarded against governments and in favour of corporations.
10. Canada has been sued 22 times by US corporations, mostly for taking measures to protect their environment from degradation by unsafe practices of foreign corporations.
11. If the Australian government agrees to the TPP and it appears that it will, Australian society will be radically and suddenly transformed without the need for a referendum or even public discussion. A recent survey by the Australia Institute showed that only 11% of Australians know this deal even exists or is in the pipeline.
12. There is no mandate for the Abbott government to change our legislation, and these changes will not be tested in the electorate. The TPP will be signed in Cabinet without having been made public, and without having been shown to members of Parliament.
13. Our civil rights will be under attack and we will become a sham democracy, restricted in passing future laws by the terms of FTAs and the constant looming threat of litigation.

14. Even as consumers, our freedom of choice will be taken away, because we will not be given the right to know what we are purchasing – where it came from and how it has been produced.

Claimed benefit of the TPPs

It will increase our trade with partner countries:

- But many scholars, and even, the Productivity Commission says that the evidence from past agreements does not support this claim.

It will improve the legislative environment:

- But this is unlikely for Australia, given that we already have strong safeguards in our social legislation. It seems more likely that our existing laws and regulations will be watered down.

As the TPP is intended to be used as a new template for all future trade agreements, it is better for us to get in now and be a part of the decision-making.

What can be done to prevent the Australian Government signing TPP?

We request that the Department of Foreign Affairs and Trade advise the Australian Government:-

1. of all of the issues raised by us (the Vintage Reds) and other parties who are also critical of the TPP;
2. that in the other TPP countries, their citizens are equally concerned with the horrific implications of this proposed TPP agreement and that the process should be terminated;
3. that no good will come of the TPP except to the vested interests of multinational corporations.

We request that you consider all of the points we have raised in this submission.

Yours faithfully,

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Links to other information sites regarding the TPP

[A Global Ban on left-wing politics](#)

AFTINET

www.aftinetorg.au¹

Citizens 'Trade Campaign

Trans Pacific Partnership

<http://www.citizenstrade.org/ctc/trade-policies/tpp-potential-trade-policy-problems/>

Electronic Frontier Foundation

Trans Pacific Partnership Agreement

<https://www.eff.org/issues/tpp>

Public Knowledge – TPP page

<https://www.publicknowledge.org/trans-pacific-partnership-agreement-tpp>

Stop the TPP

<http://stoptpp.org/>

TTP.ORG

<http://tppaustralia.org/what-is-the-tppa/>

Australian Council of Trade Unions

ACTU Submission to the Department of Foreign Affairs and Trade on the proposed Trans-Pacific Partnership Agreement, 21 June 2010

http://www.actu.org.au/Images/Dynamic/attachments/7018/ACTU%20Submission_Trans%20Pacific%20Partnership%20Agreement_DFAT_21%20June%202010.pdf

The Trans-Pacific Partnership (TPP): Negotiations and Issues for Congress / Congressional Research Service

<http://fas.org/sgp/crs/row/R42694.pdf>

Productivity Commission tells the truth about free trade agreements, 14 Dec. 2010

<http://www.petermartin.com.au/2010/12/productivity-commission-tells-truth.html>

How the Trans-Pacific Partnership Would Roll Back the Financial Regulations Needed to Avoid another Crisis

http://www.exposhetpp.org/TPPImpacts_FinRegulation.html

The Trans-Pacific Partnership Would Undermine Democracy

http://www.exposhetpp.org/TPPImpacts_Democracy.html

Australians may pay the price in Trans-Pacific Partnership free trade agreement: a leaked draft of the Trans-Pacific Partnership deal looks to have worrying intentions, 14 Nov. 2013 (SMH)

<http://www.smh.com.au/federal-politics/political-news/australians-may-pay-the-price-in-transpacific-partnership-free-trade-agreement-20131113-2xh0m.html>

The Trans Pacific Partnership with the US should hold fears, 11 Dec. 2013

(Sydney Morning Herald)

<http://www.smh.com.au/comment/transpacific-partnership-with-us-should-hold-fears-20131210-2z416.html>

TPP's Investment Rules Harm the Environment

http://www.exposhetpp.org/TPP_and_Environment_Factsheet_Jan_2014_FINAL.pdf

Trans-Pacific Partnership trade pact more draconian than NAFTA

<http://systemicdisorder.wordpress.com/2012/08/01/trans-pacific-partnership-trade-pact-more-draconian-than-nafta/>

10 reasons TTIP is bad for good food and farming

<http://www.iatp.org/documents/10-reasons-ttip-is-bad-for-good-food-and-farming/>

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