

23 August 2019

Committee Secretary
Joint Standing Committee on Treaties
PO Box 6021
Parliament House
Canberra ACT 2600

Via email: jsct@aph.gov.au

To the Secretary,

Inquiry into the Indonesia-Australia Comprehensive Economic Partnership Agreement and the Australia-Hong Kong Free Trade Agreement

The Australian Manufacturing Workers' Union represents over 70,000 workers who create, make and maintain. Our members work in trade exposed industries around the country and they have felt the impact of trade deals that have sent entire industries and thousands of Australian jobs overseas. We remain committed to ensuring that any trade deals entered into by Australia strengthen our economy, improve labour standards at home and abroad, and deliver tangible benefits to Australian workers, their families and their communities.

The AMWU supports the submissions made to these inquiries by the ACTU and AFTINET.

Australia-Hong Kong Free Trade Agreement

Given the escalating events taking place in Hong Kong at the moment, the AMWU calls on the government to wait until the situation is resolved before proceeding with the enabling legislation of the Aus-HK FTA. It is important that Australia shows its support for human rights and the rule of law in Hong Kong and ensures that these values are upheld in the current dispute about the future of the territory before we decide how to proceed with the FTA.

Indonesia-Australia Comprehensive Economic Partnership Agreement

The AMWU reiterates our opposition to Investor-State Dispute Settlement (ISDS) clauses being agreed to by the Australian government in any trade agreement and support their removal as soon as practical. These clauses undermine our democratic institutions and weaken the ability of the government to make policy in the best interests of all Australians.

The renegotiation of this agreement should have been an opportunity to remove the ISDS clause and protect Australia's sovereignty, but the government has missed that opportunity. While the new agreements includes additional "safeguards" the AMWU is not convinced that they will be sufficient to protect Australian government decisions from challenge in the future. We are also concerned about the inconsistency between the items which are excluded under the agreement, notably tobacco regulation.

We are also concerned that the trade-in-services and electronic commerce chapters in this agreement severely limit current and future governments' ability to properly regulate domestic markets, support small businesses to grow and protect consumers.

The AMWU believes that the social license for employers to engage temporary skilled migrant workers requires that it take place where there is an identified shortage of skilled workers and that the temporary skilled migration should not persist longer than it takes to train and local worker for the job. As such, the scale of our skilled migration program must be flexible and meet identified short term needs and then make way for locally trained workers. Skilled migrants should be paid the appropriate market rate and given all the rights and protections that any other worker would receive.

With this in mind, it is entirely inappropriate for access to the skilled migration program to form part of a trade agreement. Granting some nations exclusions from labour market testing undermines the social contract and could see skilled workers coming to Australia to undertake jobs where no shortage of skills exists. The impact of this is to undermine existing wages and to discourage training of new workers to take up those skilled jobs in the future. The Indonesian FTA removes labour market testing for some classes of workers and undertakes to negotiate for greater access for additional classes of workers over the next three years.

The AMWU is concerned that human rights, environmental standards and labour standards are utterly inadequate in this agreement. The AMWU believes that trade agreements should be used to improve the conditions and wages of workers in all party countries, rather than facilitating a race to the bottom.

The AMWU recommends that the enabling legislation for the Indonesia-Australia Comprehensive Economic Partnership Agreement not be passed.

Regards,

Paul Bastian
NATIONAL SECRETARY