

### China FTA Set to Trade Away Jobs; Sovereign Rights

**17 June 2015**

The Australian Manufacturing Workers' Union (AMWU) has joined the calls of concern around the signing of the China Free Trade Agreement today.

The union is particularly concerned about the details regarding labour mobility and labour market testing clauses within the agreement – on which the Government has been cagey.

“Jobs for local workers must be guaranteed under any trade agreement signed – a fundamental test that this agreement fails,” said AMWU National President Andrew Dettmer.

Under the FTA, Chinese corporations can bring in whole workforces for projects of as little as \$150 million, under “Investment Facilitation Agreements” (IFAs) which allow for so-called ‘increased labour flexibility’.

“Any major CBD construction project is over \$150M– these agreements could send employment shockwaves through the construction sector if we see free movement of workers brought in,” warned Mr Dettmer.

“Despite the Government’s claims that labour market testing will apply, its own public information states that rules for these new IFAs will be based on Enterprise Migration Agreements – which do not require employers to advertise jobs locally before recruiting workers from overseas.

“There also are no safeguards that any workers coming from overseas be employed under Australian standards – thereby undercutting the entire workforce.”

Enterprise Migration Agreements were originally set up for projects of more than \$2 billion with more than 1500 workers – but the China Free Trade Agreement seems set to drop the threshold down to \$150 million projects and use the same rules.

“And this is despite the International Labor Organisation finding earlier this week that China was one of the worst countries in the world for labour rights and standards,” said Mr Dettmer.

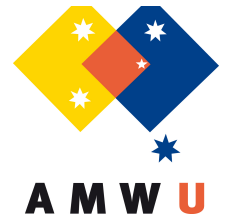
“Any trade agreement must ensure that it doesn’t undercut local jobs and industry – that, in fact, it supports our local economy.

“How can bringing in workers on lower conditions be anything but destructive for Australian workers – particularly with unemployment at a record high?”

“Additionally, we are extremely concerned about the Investor State Dispute Settlement (ISDS) mechanism that will allow Chinese corporations to sue Australia's government if a change in law can be claimed to have harmed their investments in Australia.

# Australian Manufacturing Workers' Union

## MEDIA RELEASE



“Under ISDS clauses, pretty much anything can be challenged. We could see Chinese corporations suing the Government for going about it’s legislative business.

"Is this the type of arrangement our Government wants to have?"

ENDS

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