

ACTION ALERT AA15-1A: UPDATE ON THE TRANS PACIFIC PARTNERSHIP

This is a follow-up to AA 15-1 (see www.quakers.org.au) which outlined plans for a TPP. The agreement was signed in early October 2015, but the full text is yet to be released for scrutiny by the Australian Parliament. Set out here are the government statements and responses from other quarters, and some suggestions for action.

The Agreement

On 6 October 2015 the Minister for Trade, Andrew Robb MP, announced in a media release that “negotiations on the biggest trade deal in twenty years, which first commenced more than five years ago, have been successfully concluded in Atlanta. The historic Trans-Pacific Partnership Agreement (TPP) will deliver enormous benefits to Australia, including unprecedented opportunities in the rapidly growing Asia-Pacific region, with its rising middle class, for our businesses, farmers, manufacturers and service providers”.

The Minister’s statement said that the TPP will:

- Establish a more seamless trade and investment environment across 12 countries which represent around 40% of global GDP (Australia, Brunei, Canada, Chile, Japan, Malaysia, Mexico, Peru, New Zealand, Singapore, the USA and Vietnam).
- Enhance our competitiveness, promote growth, job creation and higher living standards.
- Eliminate 98% of all tariffs covering beef, dairy, sugar, rice, horticulture and seafood, manufactured goods, resources and energy.
- Create new opportunities for Australia in relation to education, professional services, transport, financial services.
- Not require changes to Australia’s patent or copyright arrangements (especially as regards innovative biologic medicines).
- Provide a modern Investor State Dispute Settlement (ISDS) mechanism containing safeguards to protect legitimate government regulation in health and environmental areas.

Further details can be found on the website of the Department of Foreign Affairs and Trade – www.dfat.gov.au

Responses to the Announcement

At the political level, the Coalition has warmly welcomed the deal. Prime Minister Malcolm Turnbull said it was a foundation stone for future prosperity and of great benefit to Australia. The ALP has given general support to the free trade aspects but reserved judgement on the details.

Bill Shorten sees it as having potential for greater market access for our goods and services and engagement with Asia-Pacific countries. However the ALP opposes ISDS provisions in trade agreements. The Greens have expressed strong doubt about various parts of the agreement, especially the Investor State Dispute Settlement provisions.

The Australian Chamber of Commerce and Industry (ACCI) welcomed the TPP and said Australian businesses and consumers would benefit from “the surge in trade opportunities with economies in our region”. The Business Council said “The TPP puts Australia firmly in the front seat of the biggest trade deal in 20 years”. The Council drew attention to the expected lowering of the cost of doing business with more transparent and efficient customs procedures making it easier for Australian companies to export and do business in our region. Further details are on the websites – www.acci.asn.au and www.bca.com.au

Matthew Rimmer (Law Faculty, Queensland University of Technology), in an article on the ABC website *The Drum* on 6 October, said that under this agreement “intellectual property will be transformed into a means of protecting the investments of multinational companies in culture, advertising, and medicine”. He continued that the copyright protection will favour large franchises and trademarks such as Disney and Microsoft, rather than supporting new technologies and dynamic innovation. In the area of drugs, he sees the agreement as likely to raise the price of medicines for millions in developing countries because those countries will have to abide by restrictive patent laws that suit the USA. Investor rights will also be advantaged in any investor-state dispute. Overall his assessment is that “the public interest in access to knowledge, public health and technology transfer has been given short shrift under the plan”. See www.abc.net.au/news/2015-10-06

Patricia Randal of the Australian Fair Trade and Investment Network (AFTINET) issued a media release on 6 October condemning the secret nature of the talks, and saying that the government can put a positive spin on the deal until the details become known. “If this is such a good deal, the text should be released before the decision to sign is made by governments”. See www.aftinet.org.au

In the USA, politicians on all sides have indicated varying responses, and it is hard to predict how easily the TPP will gain Congressional approval. Nick O’Malley (*Sydney Morning Herald*, 6 October) said that “most moderates of both parties support the deal in principle, while the left of the Democrats and parts of the Republican right have already voiced opposition”. The discussion will become part of the political environment leading to the next Presidential election. See www.smh.com.au

Commentary on the program ‘A Country Breakfast’ (ABC Radio National, 10 October 2015) indicated that the TPP has given Australia few extra advantages from the USA, but more from Japan, thanks to the bilateral free trade agreement made with Japan signed earlier this year. See www.abc.net.au/radio

Parliamentary Process

The Treaties Committee of the Australian Parliament will consider the detailed text of the TPP in the coming months. Members of that committee are as follows: Wyatt Roy MP (chair), Kelvin Thomson MP (deputy chair), Senator Chris Back (WA), Andrew Broad MP, Senator David Fawcett (SA), Dennis Jensen MP, Senator Sue Lyons (WA), Senator Joe Ludwig (Qld), Senator James McGrath (Qld), Ken O’Dowd MP, Melissa Parke MP, Senator Glenn Sterle (WA), Sharman Stone MP, Tim Watts MP, Senator Peter Whish-

Wilson (Tas), Brett Whiteley MP. For information on the committee's work, go to www.aph.gov.au/Parliamentary_Business/Committee/Joint/Treaties

Quaker Action

Friends might consider taking up with politicians the following points:

- The risks to various progressive policies in Australia to protect standards in health, environment, pharmaceuticals, and intellectual property.
- The dangers of assuming that free trade agreements are always the best way to advance the interests of people in the countries involved.
- The potential for TPP to tip the balance in favour of large corporations and against workers, farmers, environmentalists, artists, and others.
- The special clauses that have been inserted to protect Australia's interests.

Most of these are still relevant as the Parliament approaches the process of ratifying the agreement.

Canberra
October 2015