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China Free Trade Agreement must protect local jobs

Unions are deeply concerned the China Free Trade Agreement, expected to be announced today, will undermine local jobs and increase unemployment.

The Abbott Government has been deliberately vague on the details about labour mobility and labour market testing clauses within the agreement.

However, the government's own fact sheet released after the MOU was signed with China in November indicates that the deal will make it much easier for employers to bring in Chinese workers without having to advertise jobs to local workers.

The fact sheet states that under the deal, Chinese companies can bring in workers for projects of \$150 million or more under new labour agreements called Investment Facilitation Agreements (IFAs) which allow for so-called 'increased labour flexibility'.

Despite the Abbott Government's claims that labour market testing will apply, its own fact sheet says 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.

Enterprise Migration Agreements were set up for projects of more than \$2 billion with more than 1500 workers but what the Abbott Government indicates it will do with the China Free Trade Agreement is to drop the threshold down to \$150 million projects and use the same rules.

The fact sheet states that the free trade agreement will also allow "guaranteed access" to Chinese citizens who are:

- Intra-corporate transferees and independent executives for up to four years
- Contractual service suppliers for up to four years
- Installers and servicers for up to 3 months

The Abbott Government needs to explain exactly what 'guaranteed access' means, how many workers it will apply to and exactly which jobs it includes.

Unions have raised repeated concerns about the China Free Trade Agreement and are calling on the Abbott Government to finally come clean on the impact it will have on jobs and unemployment.

Quotes attributable to ACTU President Ged Kearney:

"The Abbott Government needs to come clean on the impact the China Free Trade Agreement will have on unemployment and local jobs.

"Free trade agreements must support local jobs and industry and all indications are that the deal with China does not.

"There must be strong rules around labour market testing and labour mobility clauses in the China free trade deal to ensure local jobs are protected.

"Unemployment has been at or above 6 per cent for one year yet it appears the government is intent on selling out even more local jobs.

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