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Korean free trade agreement sells out Australian workers

The Government and Labor's support for the Korea-Australia Free Trade Agreement gives a potential greenlight for imports made in the misery of North Korean prison camps.

ACTU President Ged Kearney said the Korea-Australian Free Trade Agreement goes against the core values of the ALP.

"This disgraceful deal will not only cost thousands of Australian manufacturing jobs, it also leaves the door open to imports from parts of North Korea that are not subject to labour standards and which are notorious for forced and prison labour," said Ms Kearney.

"We'd expect this from the Abbott Government but it is deeply disturbing to see the Labor party support an agreement that is contrary to core Labor values such as labour rights in trade agreements.

"How can the ALP support a policy that potentially gives preferential access to products produced by forced or prison labour? To do so at the expense of Australian jobs and our manufacturing industry is even more shocking."

Ms Kearney said the Korean free trade agreement will have a significant impact on Australian jobs and industry.

"Under this agreement, if a mining billionaire like Gina Rinehart wants to open a new mine, the whole operation including the plant and equipment can be manufactured in Korea, shipped to Australia and then built by Korean workers on 457 visas.

"Unemployment is already at a 12-year high yet the Government and Labor are committing to an agreement that will put even more pressure on jobs."

A Productivity Commission Inquiry into Bilateral Trade Agreements found the benefits are overstated, finding:

"The increase in national income from preferential agreements is likely to be modest. The Commission has received little evidence from business to indicate that bilateral agreements to date have provided substantial commercial benefits."

Not only is there no substantial benefit, the agreement also includes an Investor-State Dispute Settlement (ISDS) clause that allows private companies to sue the Government and override Australian laws if a policy decision impacts its business, said Ms Kearney.

"The Productivity Commission has recommended against this clause and even John Howard rejected it – yet the Abbott Government and the ALP have just given Korean private corporations unprecedented powers in Australia.

"Corporations will be able to sue the Australian Government for potentially billions of dollars in an international tribunal that is above Australia's legal system with no avenue for appeal.

"This is an appalling agreement that strips away local jobs and Australia's sovereign rights."

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