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Submission to the Joint Committee on Treaties
Inquiry into the Singapore Free Trade Agreement (SAFTA) –
Amendment

**Joint submission of the Australian Taxpayers' Alliance and
MyChoice Australia**

2 May 2017

1. The Australian Taxpayers Alliance (ATA) and MyChoice Australia (MCA) welcome the opportunity to submit to the inquiry into the Singapore Free Trade Agreement – Amendment (SAFTA) led by the Joint Committee on Treaties.
2. The ATA is a non-partisan grassroots public advocacy group representing Australia's taxpayers with over 40,000 members nationally. Our campaigns focus on fighting unfair, inefficient and inequitable taxes, repealing bureaucratic red tape and wasteful spending and supporting individual and civil liberties. MCA is an autonomous affiliate organisation of the ATA which focuses on consumer choice, regulations, and civil liberties.
3. The ATA and MCA would like to draw particular attention to Article 22, the Tobacco Control Measures of Section B: Investor-State Dispute Settlement (ISDS). We are opposed to this article and believe all legal and regulated industries should be equal under any international treaties entered into by the Australian government. For this reason, it is our belief the industry specific inclusion in the SAFTA is redundant.
4. There is currently a provision in the existing SAFTA which permits governments to act on issues of public interest, including health, regardless of other provisions in the agreement.¹ Basic principles in this treaty have been important in promoting investment between the two countries but they have not prevented the adoption of public health initiatives.
5. Free trade agreements are in place to ensure investment is transparent and open to burgeoning markets, ensure non-discriminatory treatment and provide a dispute settlement mechanism to defend against any ad hoc government action. We believe that a

¹ Article 18(b) of the SAFTA states "... nothing in this Chapter shall be construed to prevent the adoption or enforcement by a Party of measures necessary to protect human, animal or plant life or health"

sector-specific concession weakens the objective of this agreement to boost international investment and may indicate that SAFTA parties are prepared to depart from their commitment to protecting investment.

6. This exclusion may set a precedent for other industries and therefore may lead to further bureaucratisation and regulation of what should be free and transparent trade in other sectors based on what is deemed a 'public health concern' at the time such as alcohol, food or other perfectly legal industries.
7. Health officials have in fact rejected these proposals to differentiate treatment or exclusion of tobacco, on the basis that sovereign states must be allowed to adopt their own public health policy after discussing the issue at various WHO Framework Convention on Tobacco Control meetings.²
8. It is the view of the ATA and MCA that free trade agreements should uphold the rights set out in the dispute settlement mechanisms for any legal and regulated industry. It is also the view of the ATA and MCA that public health concerns are more than accommodated in the current agreement.
9. The ATA and MCA therefore recommend that the Committee take our views into consideration and discard what could be a disastrous precedent for international trade, by declining to include Article 22 in the SAFTA.
10. We thank the committee again for accepting our submission and welcome the opportunity to appear before the committee at a formal hearing to discuss our submission and field any questions.

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² WHO Framework Convention on Tobacco Control. 7-12 November 2011. *Decision*.
http://www.who.int/fctc/cop/cop7/FCTC_COP7_21_EN.pdf?ua=1