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Tuesday 26 August 2008

The Secretary Foreign Affairs Sub-Committee Joint Standing Committee on Foreign Affairs, Defence and Trade Parliament House Canberra ACT 2600

By E-MAIL: jscfadt@aph.gov.au

Dear Mr John Carter,

Re: Australia's relationship with ASEAN

Thank you for your letter of 21 July 2008 inviting the Australian Services Union to prepare a public submission to this inquiry.

I have taken the opportunity to confer with my colleagues in the Community & Public Sector Union (CPSU) and the Communications, Electrical and Plumbing Union (CEPU) as our unions are affiliated to the Public Services International (PSI) which is a global union federation made up of more than 650 trade unions representing more than 20 million workers who deliver public services in 160 countries.

This submission is made on behalf of the ASU, CPSU and CEPU.

In the structure of the PSI we are part of the Asia/Pacific Region and this submission is made with the knowledge of PSI unions in ASEAN countries of Cambodia; Indonesia; Malaysia; Philippines; Singapore and Thailand. In the region PSI maintains offices in Singapore, Japan, India and New Zealand and its head office is based in Geneva.

The Oceania sub-region is represented on the PSI Asia/Pacific Regional Executive (APREC) by David Carey, Joint National Secretary of the CPSU and Kuini Lutua, General Secretary of the Fiji Nursing Association.

Representatives of the unions will be pleased to appear before the committee to expand on this submission if required.

Yours faithfully

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Paul Slape NATIONAL SECRETARY

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ASU, CPSU & CEPU Submission

Senate Inquiry into Australia's relationship with ASEAN

Date: 27th August 2008

Submitted By: Paul Slape National Secretary on behalf of ASU, CPSU and CEPU

Introduction

The Australian Services Union (ASU), the Community and Public Sector Union (CPSU) and the Communications, Electrical and Plumbing Union (CEPU) are affiliated to the Public Service International (PSI) which is a global union federation made up of more than 650 trade unions representing more than 20 million workers who deliver public services in 160 countries. The submission is also made with the knowledge of PSI unions in ASEAN countries of Cambodia; Indonesia; Malaysia; Philippines; Singapore and Thailand.

Executive Summary

The opportunities and concerns around expanding Australia's role in ASEAN raised by the submitting group of public service trade unions will focus on those which impact largely on sectors generally categorised as public services.

1. Opportunities to improve Australia's involvement in ASEAN

The challenge is to respond and participate as a developed nation in ways which are culturally, economically and democratically appropriate to its partners in ASEAN –recognising the interdependence of human development, human security, economic growth and trade, regional and national security. The submitting public service trade unions are concerned with the rights and capacities of stakeholders. Human development demands attention to stakeholder involvement; social dialogue and policy support and appropriate communications.

2. Opportunities to enhance regional security through Australia's involvement in ASEAN.

A failed state is one that is unable or unwilling to protect its citizens from violence and perhaps even destruction and which regards itself as beyond the reach of domestic or international law. Poverty and lack of access to rights to education, health and public resources and lack of democratic power over distribution and accountability are forms of violence. A failed state is a security concern beyond its own boundaries - a potential locale for international crime or even terrorism. Ensuring ASEAN does not encompass a failed state is a security issue for the whole region. There is an urgent need to recognise that domestic insecurity contributes to national and international vulnerability. Responses need to include: support for trade unions; systems for training and holding accountable government and public officials; campaigns for addressing criminality, domestic violence and human security within states.

3. Free trade agreements with individual ASEAN countries

Trade unions are concerned that when negotiating trade agreements, care must be taken to avoid any resulting rising inequality, unemployment or reduction in the supply of essential services. There must be awareness of the rights of the workers and the users of public services. As consumers they are not present at major trade negotiations but their interests need to be represented and regional negotiating capacity be built alongside the negotiating capacity of individual states and the key stakeholders at all levels of involvement.

4. Opportunities for Australia to enhance regional economies

Economic challenges include: building and rebuilding infrastructure; financial and treasury related accountability; the need for strict legislation, registration systems and codes of practice – and related training; vocational and work place education; building marketing skills; appropriate use of public/private partnerships; appropriate approaches to trade agreements; awareness of women's labour.

5. Opportunities for Australia to improve cultural links in ASEAN

Targeted and measured support of the existing links between groups such as trade unions and civil society associations, women's groups, non-formal education groups such as youth organizations

and leadership training agencies – all these can provide opportunities with measurable impact on cultural awareness and positive partnerships. Trade unions can be an invaluable route.

6. Impact on Australia and ASEAN of global warming

ASEAN is faced with very immediate issues – some as contributing causes and some as potential impact of climate change. There is a lack of sustainable management of natural resources which continues to effect changes for communities which are social, cultural and economic. There is a need for research and development of new technologies; building skills for negotiating emissions trading; mitigation and preparedness for natural disasters; informed approaches to 'green jobs'.

The Submission

The Joint Standing Committee on Foreign Affairs, Defence and Trade, Foreign Affairs Sub-Committee is conducting an Inquiry into Australia's relationship with ASEAN.

The Terms of Reference are to consider opportunities for expanding Australia's relationship with countries of ASEAN with particular attention to:

- Opportunities to improve Australia's involvement in ASEAN
- Opportunities to enhance regional security through Australia's involvement
- Free trade agreements with individual ASEAN countries
- Opportunities to enhance regional economies
- Opportunities to improve cultural links
- Impact of global warming on the region

Australian trade unions affiliated with Public Service International have been invited to submit a paper with substantial comment and analysis as outlined above.

The opportunities and concerns around expanding Australia's role in ASEAN raised by the submitting group of public service trade unions will focus on those which impact largely on sectors generally categorized as public services. These include activities of governments at national, regional or local levels and services such as provision of gas, electricity, water waste management, environmental and social services, non-teaching education, cultural and recreational services, health, maintenance of roads and buildings. These services may be provided by workers employed by governments, non-Government Organizations (NGOs), government –owned organizations or multi-national companies.

The importance of ASEAN as a destination for exports and as a source of imports is acknowledged. So, too, is acknowledged the seriousness of regional security and the interdependence of economic growth and security.

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Opportunities to improve Australia's involvement in ASEAN

As Australia proceeds in negotiations for regional integration – ASEAN plus three; the ASEAN regional Forum; the ASEAN Economic Community and the ASEAN-Australia Comprehensive Partnership's Plan of Action – the essential and urgent need to involve stakeholders must be acknowledged.

The submitting public service trade unions are concerned with the rights and capacities of stakeholders to contribute to policies and practices which impact on their lives and work. Human development needs to be the ultimate result of economic and security policies and practices. The challenge for Australia is to respond and participate as a developed nation in ways which are culturally, economically and democratically appropriate to its partners in ASEAN. This requires an underlying commitment to human development even when there would appear to be a focus primarily on trade or security. The approach must always be based on recognition of the **interdependence of human development**, **human security, economic growth and trade, regional and national security.**

a) Trade unions such as those working in public services are experienced in working in related sectors within the labour market and in processes which allow for – encourage – informed debate and participation. This requires recognition that development is a complex and dynamic process which demands responses which may start with one sector, such as labour, but then operates by acknowledging specific and different needs and issues of other, related sectors of the wider population.

Response: Commitment to informed and skilled stakeholder participation in policy and decision making – with related allocation of resources to develop and enable such participation.

Response: Commitment to processes which require stakeholder participation when funding or supporting change

Response: Insistence on recognition of appropriate cultural and social practices when proposing change and development.

b) There is a need to ensure effective **social dialogue** so that all key stakeholders in the use and provision of public services are enabled to participate effectively in decision and policy making regarding those services. This will not happen by accident. Organizations such as trade unions are well placed to enable the participation of members as providers – and users – of public services. Informed support and recognition of unions and other similar agencies will provide for the underpinning increase in **informed and skilled participation** of key stakeholders in economic and social policy.

Response: Support and engagement of trade unions and other relevant groups within civil society when planning and/or implementing strategies for responding to economic and security challenges

c) **Social policy support** will be required to achieve effective input by and for those involved as users or providers of public services. This will need to include policy and practices **adequately funded and resourced** in areas of vocational and workplace education and training, related business developments (transport, equipment supply and repair etc) and access to processes which enable participation. The frameworks for such development must be cognisant of the existing cultural and national frameworks of each nation with additional emphasis on supporting the involvement of the social partners. In some parts of ASEAN there is often a failure to recognise the potential and expertise of traditional community governance models. Local labour, women's and environmental organisations are also often overlooked in the development or review of policy and practices in service delivery.

Response: demonstrate and demand awareness of the role of women in industry, civil society and NGOs and at all levels of society – and of the contribution that women can make in policy and in economic and security practices and growth

d) Adequate **communications** will be needed between Australia and other ASEAN states and between all levels within states: national and local. This means recognising the most appropriate ways to communicate with communities at all levels of society. Again, trade unions are experienced in structures which engage across the tiers of decision and policy making and are well placed as communication channels.

Response: Ensuring that communication channels within ASEAN states are designed so that all tiers of the community are informed and engaged appropriately when change is being planned or implemented

e) In many of these areas it will be sensible to ensure constant, **high level support and independent advice** to be developed in country so that a real sense of self-reliance is generated.

Response: Provision of high level advice and support for changes and new developments at national level within partner countries.

Opportunities to enhance regional security through Australia's involvement in ASEAN

Within ASEAN, security is an issue at differing levels: domestic, national and international. It involves human, economic, cultural, physical, environmental and political security.

Security is closely linked with economic realities and issues.

A failed state is one that is unable or unwilling to protect its citizens from violence and perhaps even destruction and which regards itself as beyond the reach of domestic or international law. Poverty and lack of access to rights to education, health and public resources and lack of democratic power over distribution and accountability are forms of violence. A failed state is a security concern beyond its own boundaries - a potential locale for international crime or even terrorism. Ensuring ASEAN does not encompass a failed state is a security issue for the whole region.

Security issues arise in communities where there are disparities between those sectors with appropriate access to resources and services, public utilities and training and information. Civil unrest is often linked to gaps in wealth and influence. It can also arise when there is a sense of no accountability of service providers and policy makers. Political unrest often results when populations are deprived of essential elements of development and due access to employment and economic stability. The right to organise and ensure collective strength of workers and sectors of populations is essential.

There is an urgent need to recognise that domestic and human insecurity contributes to national and international vulnerability. A lack of human development is interwoven with economic vulnerability. There are challenges to bring about change in communities where domestic violence and other crime is a factor of life. Adequate and culturally appropriate measures for prevention, prosecution and holding accountable those who fail to respect the right to safety and to democratic practices are needed. Policing, public education, health and safety services, alternatives to situations which create vulnerability – all require attention, resources and monitoring and research. Trade unions can contribute positively to human development and democratic processes. Trade unions need to be protected and supported when facing opposition to organising and advocating for workers.

Women are among the poorest in the world and their economic and education deficits contribute to their vulnerability. The link between insecurity of any sector of a population and the insecurity of the whole community is recognised. Urgent steps are needed to redress the situation of vulnerability of women across the ASEAN region.

With due support, trade unions could play a greater role in identifying options for women workers, ensuring they have access to appropriate employment opportunities and related terms and conditions. The submitting public service trade unions take the responsibility of appropriate attention to the needs of women workers very seriously. They urge that other institutions and political agencies do the same.

Protection of the rights of all ethnic, cultural or faith groups to employment with just terms and conditions is essential. Again, trade unions can model such approaches.

The sectors within the responsibility of public service unions, such as health and non-formal education as well as the other public utility providers, are essential in ensuring that communities can receive the services they need – and know they deserve.

Responses to security challenges

It is proposed that responses to security challenges should include the following:

- a) The Australian Government should ensure high level support for the freedom and opportunity of workers to participate in trade unions.
- b) There needs to be recognition of the interlinked causes of insecurity in and between the focus countries.
- c) There needs to be serious support for campaigns against community discrimination and criminality, accompanied by training and education of key community sectors such as police, health providers and judiciary.
- d) Work with governments and public service providers to ensure systems and training for skilled monitoring and holding accountability those who hold an official brief to protect will be essential.
- e) A campaign to gather data and devise appropriate education and community attitude change regarding domestic violence and other threats to human security..

Free trade agreements with individual ASEAN countries

Free trade agreements are a major part of ASEAN relationships. Given that ASEAN is the eighth most important source of imports to Australia and the sixth most important export destination for Australian goods and services, any agreements will impact on labour. When Australia negotiates for the establishment of an ASEAN Economic Community, the approaches and ways of work in negotiating such agreements must acknowledge the concerns of labour, all relevant key stakeholders and the organizations – trade unions – which can represent and ensure skilled participation.

There is a growing concern at the lack of focus on human development within bodies such as the World Trade Organization - consumer welfare (much less development) is not the main focus of negotiators¹. Australia, as a developed country has a responsibility to be the spokesperson for an approach which takes seriously the needs and realities – including the human development needs and realities - of less developed states in the operation of global and regional agencies negotiating **trade agreements**.

It should be noted - hopefully with lessons for relating with ASEAN - that Australia's current approach to developing a free trade agreement with fourteen Pacific Island States is open to strong criticism. There is a perception that Australia, is pressuring for an agreement without appropriate social impact assessment.

The submitting group of trade unions share the concern voiced by other civil society groups that when negotiating trade agreements, care must be taken to avoid any resulting rising inequality, unemployment or reduction in the supply of essential services. There must be awareness of the rights of the workers and the users of public services which are so frequently dependent on the economic realities of States. As consumers they are not present at major trade negotiations but their interests need to be represented.

It is also essential that regional negotiating capacity be built alongside the negotiating capacity of individual states and the key stakeholders at all levels of involvement.

¹ United Nations Development Programme Report, 'Making Global Trade Work for People' 2003 p70.

Trade unions representing the collective rights and interests of workers must be involved. They have demonstrated skill in building capacity of stakeholders for informed participation in negotiations. Collective agreements strengthen the development of quality public services and can contribute to informed and skilled negotiating at national and regional levels.

Response: Ensure that Australia represents the need for human development to be taken into account when negotiating trade agreements within ASEAN

Response: Australia must model negotiating practices which respect and develop the skills and capacities of ASEAN partners to participate as respected partners – partners who are enabled to apply their knowledge and partners with relevant and appropriate information and expertise.

Response: Work with trade unions and other civil society groups to build informed negotiating capacity in ASEAN.

Opportunities for Australia to enhance regional economies

The submitting public service trade unions believe that, even with differences in resources and stages of development, the economic challenges in the focus countries will be similar in nature to those faced by the public sector in Australia. It is, of course, recognized that in many cases economic growth will be exacerbated by the increased awareness of the potential impact of climate change and the ongoing changes resulting from globalization of economic and social elements of communities at varying stages of economic development. However, the importance of regional economies and the interrelationships from the extensive trading of Australia and ASEAN, make it essential that stable economic states are developed in the region.

Effective strategies for sustainable economic growth and the consequent increase in security for all members of the populations will demand tri-partite (governments, companies and labour) cooperation in research and consultation to identify required resources and infrastructure needs and to engage all key identified stakeholders in agreements.

For sustainable democratic growth, organisation of labour into effective trade unions is a key step in ensuring this important sector is able to participate in policy and decision making in ways which are informed and relevant to economic and cultural realities and needs.

(a) Commitment to building and re-building public infrastructure.

A decrease in standards of infrastructure can often be caused or accompanied by a failure to keep pace with demand as populations increase and there is also a common drift to urban areas. This can be a major element in restricting development and economic growth. It is recognized that because of size of investments required for infrastructure there will be competing demands. It is imperative to take a long term view if real economic growth is to be possible.

Response: Work with ASEAN partners to identify, prioritize and support the building and rebuilding of essential infrastructure.

(b) Many responses to infrastructure development require extensive funding support. There will be an ongoing need for establishing systems and allied training and monitoring practices and standards for developing high standards of **financial and treasury related activities and accountability.** Corruption resulting from inadequate standard setting and monitoring practices is a serious concern in ensuring economic growth and allied security within states. Even passive acceptance of corruption contributes to much needed resources being diverted away from societies and communities where there is great need. Allowing corruption to occur – by not insisting on monitoring and accountability – is unacceptable.

Response: Work with ASEAN partners to agree financial systems and practices which meet accountability requirements and which can be monitored and audited – with commitment of national institutions and agencies responsible for health, education, water, basic utilities and other public services.

(c) Strict legislation, registration systems and codes of practice will be needed as public services and their related infrastructure are developed or refined. Many state and non-state actors in the region currently lack the resources and expertise to be able to work for such legislation at any serious and credible level. The availability of expert advisors will be an essential – but hopefully short term – part of any strategy to build accountability and measurement in public services.

Response: Work with national agencies and institutions to ensure appropriate strict legislation, registration systems and codes of practice.

(d) Related to this will be the need for training and awareness of legislation, registration requirements and codes and agreements as workers and policy makers will need to be familiarized and skilled at all relevant sectors of industry and labour. It will need to be recognized that without trained personnel to implement, monitor and audit such legislation, registration and codes, any changes will be problematic. This relates closely with the need to ensure stakeholder participation that is informed and appropriately skilled. Trade unions have expertise and experience in developing skilled key stakeholders who can be involved at all stages.

Response: Accompany strict and appropriate legislation and standard setting with appropriate information and training for monitoring and accountability based on it.

(e) The need for strategies to recognize the benefits which could come with effective and well targeted partnerships within ASEAN. While there is economic need in States, many workers are under pressure and want to migrate for employment opportunities. This can result in a dearth of skilled labour in many areas related to provision of public services – and a dearth of labour for many infrastructure projects. Effective partnerships could result in planned labour migration which could be productive if it were designed and regulated to increase the skills and capacity of a work force. - provided that work force had employment opportunities developed at home so return were economically viable. Such workers would need to have access to the same terms and conditions as their Australian counterparts and have the same access to training and capacity building as their Australian counterparts and colleagues. This would mean a serious focus on developing labour opportunities in countries of origin.

Response: Undertake a serious review of how best to develop new markets and labour opportunities in developing ASEAN countries so that there is less need for migration of labour. Exchanges and partnerships between Australia and focus countries and between the other focus countries should be explored and investigated for new opportunities. There is a need for expert investigation of new labour opportunities and for the best means of supporting new, economically viable options. Trade unions such as those making this submission will be key in ensuring that there are appropriate conditions for labour which does migrate – and they should be involved in setting up relevant monitoring and accountability.

(f) There is a need for diverse and industry appropriate vocational and workplace education and training systems. This needs to support ongoing development of local trainers and training facilities as well as a wide range of training and skill development programs across all industry competencies, to recognised objective standards incorporating safety, sustainability **Response:** Work with the submitting trade unions and their partners to provide exchanges of best practice and vocational training and skill and capacity building among all levels of management and workers in public service provision

(g) **Women's labour** is frequently ignored or goes unnoticed. ASEAN needs to note that there is a recognized lack of data and information on women's economic roles generally in the Asia and Pacific Economic Community, accompanied by a lack of recognition of women's roles in the paid work force and a lack of data on women's contributions in the informal sector and unpaid work.² There is a serious challenge to obtain a collation and analysis of this major element in the economies of ASEAN. Without sound data and information effective strategic responses are unlikely to follow.

Response: There should be urgent steps to consult with women and others in ASEAN to gather data and information regarding women's labour and contribution to economies. This needs to be accompanied by surveys and investigations into how specifically women's labour can be maximized for the benefit of women and of their communities. It will be important that such investigations and inquiries recognize the input of women as well as of statisticians – cultural and social behaviour will be key to achieving useful information and women's own input to potential developments.

(h) Marketing skills and customer relations – this is particularly relevant in public service provision where there is recognition that new public management theory often has an inappropriate focus on profit making and fails to recognize that public service users have a right to such services. This is an area where exchanges between Australian and broader ASEAN management and labour could benefit from collaborative exchanges of best practice.

Response: Promote exchanges and joint training within ASEAN trade unions and other agencies to develop marketing and customer service skills to underpin effective public service provision.

Opportunities for Australia to improve cultural links in ASEAN

With increased mobility of populations for education, employment and general human development Australia has a real opportunity to build on its traditional multi-culturalism. This means recognizing the skills and capacities of migrants and of tourists as well as identifying the most productive ways of interacting and encouraging positive exchanges. Targeted and measured support of the existing links between groups such as trade unions and civil society associations, women's groups, nonformal education groups such as youth organizations and leadership training agencies – all these are useful. They can provide opportunities with measurable impact on cultural awareness and positive partnerships. Trade unions can be an invaluable route. They are accustomed to working across sectors, including youth and women, offering programmes and training for capacity building – and are accountable to members and supporters. They operate within the culture of communities and regional and international ways of work are culturally inclusive and respectful.

Response: Targeted and measured support of trade union exchanges and joint trainings and consultations on economic and security programmes and policy making.

Response: Targeted and measured support of youth and women's exchanges for development of networks and collective training between specific sectors of labour in ASEAN.

² UNDP op cit p98

Impact on Australia and ASEAN of global warming

ASEAN is faced with very immediate issues – some as contributing causes and some as potential impact of **climate change**. The lack of sustainable management of natural resources continues to effect changes for communities which are social, cultural and economic. It also is seen as contributing to climate change. A population faced with rising sea levels, insufficient water supplies or localized climate changes which impair production of primary products has limited choices: prepare to move hoping to be able to continue as they have traditionally; change lifestyle and practices; prepare to change lifestyle and practices; or prepare to change so new lifestyles are possible.

(a) There is an urgent need for research and development into better use of technology which is based on the real impact of some traditional and current production practices. There must be well founded understanding of the increased and changing needs in health, water and waste management and public transport and infrastructure.

Response: Funded research and development in energy-efficient technologies with capability to adapt and mitigate climate changes.

Response: Funded research into support systems for communities facing change in lifestyle affecting traditional, cultural and social practices.

Response: Funding for nations to prevent and mitigate factors contributing to climate change with changed practices regarding use of resources such as forests.

Response: Fund consultations and planning projects which acknowledge the real prospects facing some nations and set up processes for identifying and responding to real options.

(b) Representatives of developing states voice concerns around **emissions trading** – some seeing this as an answer for developed countries but not taking seriously the local, indigenous needs to develop and grow. 'It will make us into museum pieces' is a frequent comment. There is an urgent need for effective campaigns of informing and building skill in key stakeholders who should participate in decisions about emissions trading and development of sustainable management of resources.

Response: There will be a particular need for ensuring informed participation in decisions regarding emissions trading schemes. Many public utilities will be at the front of dealing with the impact of agreements made across national boundaries. Those involved in operating such utilities should be enabled to have appropriate and informed input to planning and be fully equipped to participate in implementation.

(c) There are concerns too about the past and ongoing exploitation of resources. Who really owns resources such as forests and waterways? Has that ownership been appropriately consulted? Many natural **disasters**, which frequently result in loss or damage to public utilities and public services, may be the result of changes contributing to climate change. This submission expresses concern that this be taken seriously and that where possible disaster mitigation and at least disaster preparedness is effected.

Response: Disaster response and mitigation - particularly as many disasters often have serious impacts on delivery of public services long after the actual event. This would mean allocating resources and providing training for workers and others in essential services.

(d) There is a growing debate regarding 'green jobs'. These can generally be defined as jobs which reduce negative impact on the environment. They fall under several categories such as: earth repair; resource renewal; sustainable energy; sustainable communities and cities; environmental survey; clean green food and sustainable agriculture; eco-tourism; government **Response:** Ensure trade unions and other relevant groups are involved in any policy regarding 'green jobs'.