

Dissenting Report by Senator John Madigan and Senator Peter Whish-Wilson

1.1 When the Fair Trade (Workers' Rights) Bill 2013 was introduced to the committee last year, we did not anticipate the strong level of support it would receive by relevant industry leaders both domestically and internationally. We are very grateful for all those who made submissions and we are pleased that 83 per cent of these submissions were in favour of the Bill.

1.2 We would like to contest a number of reasons purported and referenced by the committee, including:

The proposed legislation may constrain FTA negotiations

1.3 We do not believe this bill will constrain the negotiation of trade agreements. On the contrary, it will set a basis from which to begin negotiating a fair and reasonable outcome for workers both at home and abroad. These reasonable outcomes include: Freedom of Association, the right to organise and collective bargaining, freedom from discrimination, the elimination of the worst forms of child labour, the forty hour week, occupational health and safety standards, the idea of an appropriate minimum wage and weekly rest. We would like to ask the committee which of these outcomes are not fair and reasonable? Which of these internationally recognised standards does the committee not think international workers do not deserve?

There is no evidence of a policy failure with regard to Australia's current approach to FTA and workers' right

1.4 Australia's policy may not be a failure; however it is far from perfect. *Home Loan experts* write in their submission:

One of the most apparent examples would be Bangladesh, where recently a factory building collapsed due to shoddy construction and unsafe working conditions and an estimated 1,129 people died. Less than six months before this, another factory building caught fire and more than 100 people died. In this case too, unsafe working conditions as well as poor maintenance and planning were the cause behind the large number of deaths.

1.5 While Australia is only one market for these "shoddy" companies, we have a strong record in the area of workers' rights. This bill provides a strong opportunity for Australia to lead by example on the global stage.

1.6 The *Australian Council of Trade Unions* supported these ideas in their statement that:

We strongly believe the primary objective of all trade negotiations should be to raise living standards and make a positive difference in the lives of working people in accordance with principles of sustainable development. Reducing barriers to trade and investment, and increasing economic cooperation and integration, are possible means of achieving this.

1.7 The peak body of Australian vegetable and potato growers, *AUSVEG* believes that "it is a reasonable expectation that trading nations should observe and implement

these [the bill's] standards.” The Australian Lawyers for Human Rights provides further reason in that:

ALHR considers that passing the Bill will assist Australia to meet its obligations as a member of the International Labour Organization (ILO) and to promote human rights on a global level, to follow specific recommendations that have been made by human rights organizations, and to add its voice to the growing international consensus that promoting labour standards in other countries is justified in both a social and economic sense.

1.8 The *International Trade Union Confederation* sentiments also align with ALHR's and most contributors to the inquiry, stating:

This Bill creates a legal framework for such conditionality and it aims at achieving a more inclusive trade where all those involved in the production and distribution of goods and services capture a fair share of trade's gains. Australia will not be the first country to make the inclusion of conditionality obligatory for trade agreements. The two parties of the US Congress concluded an agreement in May 2007 that enforceable conditions on labour and environment are to be part of all trade agreements negotiated by the US.

Conclusion

1.9 In Summary, the Fair Trade (Workers' Rights) Bill 2013 has three strong pillars which make it a reputable piece of legislation. These are outlined by Slavery Link's submission:

- The Bill would assist Australia to meet its obligations to implement international agreements to which Australia is a signatory.
- The Bill would encourage Australia's trading partners to provide their workers with access to minimum standards regarding workers' rights.
- The Bill would support standards in Australia, to the benefit of Australian workers and business.

Recommendation

We believe the Senate should vote in favour of this piece of legislation.

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