



# australian nursing federation

## Submission to the China FTA Study Taskforce on the feasibility study regarding a China Australia Free Trade Agreement

### 1. Introduction

- 1.1 The Australian Nursing Federation (ANF) is the national union for nurses in Australia with branches in each state and territory. The ANF is also the largest professional organisation in Australia. The ANF's core business is the industrial and professional representation of nurses and nursing in Australia.
- 1.2 The ANF's 140,000 members are employed in a wide range of enterprises in urban, rural and remote locations in the public, private and aged care sectors, including hospitals, health services, schools, universities, the armed forces, statutory authorities, local government, offshore territories and industries.
- 1.3 The ANF participates in the development of policy in nursing, nursing regulation, health, community services, veterans affairs, education, training, occupational health and safety, industrial relations, immigration and law reform.
- 1.4 The ANF recognises that trade is vital to the survival of the Australian economy, it should, however, be kept fair and not disempower governments, nor undermine public and social services; nor should it disadvantage local economies. Economic analysis of the benefits of bilateral free trade agreements has produced mixed results with disagreement on the benefits or otherwise for Australia, Australia's neighbours and poorer countries whose ability to trade may well be hampered by such agreements and who are often forced into accepting liberalised investment laws.
- 1.5 The ANF supports the Australian Council of Trade Unions' submission to this feasibility study and its contentions in relation to the Australian economy and the impact on a number of industries and the workers who are reliant upon those industries for their livelihood. This submission will not address all of the terms of reference; rather it will cover the major issues of concern for the ANF, nurses and nursing.

These include:

- The impact of the agreement on the provision and quality of health services;
- The impact of the agreement on the nursing profession;
- The relationship between the agreement and labour conditions and human rights; and,
- Regional and demographic impact.

## 2. The impact of the agreement on the provision and quality of health services

- 2.1 The provision of health services is a public good and the responsibility of government. Consequently, the maintenance of a public health system as a publicly funded, fully accessible service is essential for the social benefit of all Australians. Any trade or investment agreement can potentially leave services currently regulated by the government open to foreign investment and control. These services are not restricted to health and could include other essential services such as education or water management.
- 2.2 The ANF contends that liberalising investment in public services such as health services, will lead to a range of problems including increased cost of services, decreased access to services, reduced conditions of employment and job security for workers and in the case of health, decreased quality of care for people requiring care.
- 2.3 Concerns have been raised through the negotiations of the AUS/USFTA that the Pharmaceutical Benefit Scheme is at risk of compromise. This is another example of an essential social service that cannot be traded away in the name of free trade.

### Recommendation

That essential services such as health are excluded and unconditionally protected from any trade agreement.

## 3. The impact of the agreement on the nursing professions

- 3.1 It is a concern of the ANF that Australia's regulation of health professionals, such as nurses can be seen as a barrier to free trade. The reason that nursing is regulated is to ensure the safety and protect the public since in the provision of nursing services there is the potential to do harm.
- 3.2 There are two levels of regulated nurse in Australia - registered nurses, who undertake a minimum of three years undergraduate preparation in the higher education sector at Bachelor degree level; and enrolled nurses, who generally undertake their education in the vocational education sector at Certificate IV or Diploma level. Of the total number of regulated nurses, 78.7% are registered nurses and 21.3% are enrolled nurses<sup>1</sup>.

1. Australian Institute of Health and Welfare. Nursing labour force 1999. AIHW: Canberra, 2001

- 3.3 To work as a nurse in Australia, overseas nurses must meet immigration requirements, pass an English language test, and meet Australian standards of nursing practice. These are the same standards; no more, no less, than those required of nurses educated in Australia. The standards are specified in the *National competency standards for the registered and enrolled nurse* (Australian Nursing Council). They are core competency standards, which all registered and enrolled nurses, local and overseas, must be able to demonstrate. The standards have been developed, reviewed and adjusted from time to time by the nursing regulatory authorities in consultation with the nursing profession, and are the foundation of modern nursing practice in Australia, which provides assurance to the public of a consistent, safe and effective standard of nursing practice. These standards are not a barrier to trade, they ensure protection for people requiring and receiving nursing services.
- 3.4 Any relaxation of the regulation legislation will inevitably have a negative impact on standards of patient care and will be detrimental to the ability of health services to provide quality care, damaging the delivery of an important public and social service.
- 3.5 There are already adequate, accessible, fair and transparent processes in place in Australia to enable nurses, registered and enrolled overseas, to apply for registration in Australia. The nursing profession in Australia, through the nurse regulatory authorities, has done considerable work to develop and refine these processes, which are under constant evaluation. These processes ensure that common standards apply to nursing services in this country and safeguard the public in the provision of nursing services.

### Recommendation

That nursing remains a regulated profession and that, in order to maintain standards and provide protection for the public, all nurses in Australia and all overseas nurses seeking to work in Australia are required to meet the Australian Nursing Council *National competency standards for the registered and enrolled nurse*.

## 4. The relationship between the agreement and labour conditions and human rights

- 4.1 Any free trade agreement must not allow for weakening of internationally accepted labour laws and indeed should include conditions which raise standards to meet International Labour Organization conventions. Both Australia and China engage in labour related activities that do not meet such conventions. This is unacceptable and cannot be encouraged nor maintained in the guise of a free trade agreement.

- 4.2 In recent years China has considerably increased its level of commercial engagement with foreign countries. The ANF has concerns about the negative impact of this engagement on employment, labour and environmental conditions in China.

### Recommendations

That the feasibility study should examine how compliant both Australia and China are with human rights and labour standards, including the core right of freedom of association and ensure compliance is currently or will be attained before an agreement is reached.

That the feasibility study examine how recent trade developments have impacted on environmental conditions in China and how an FTA with Australia will further impact on those conditions.

## 5. Regional and demographic impact

- 5.1 Given the binding nature of trade agreements for both current and future governments it is imperative that a process is established that gives all Australians the confidence that there has been proper and thorough public scrutiny, including a multi-disciplinary analysis of the socio-economic impact. It is essential that the Australian Parliament and the Australian people are confident that the agreement is in the public interest prior to any ratification processes. The 'public interest test' must be broad, going well beyond the narrow trade costs and benefits. Therefore, the feasibility study for a China Australia FTA must include comprehensive and inclusive studies, including input from particular regional and demographic groups that will be affected by the agreement.
- 5.2 Liberalisation arrangements through extensive free trade agreements will ultimately lead to a decrease in accountability and transparency. We have seen such outcomes in the privatisation of public health services. The nature of such agreements can undermine the sovereignty of a democratically elected government, hindering it in its duty to formulate policy, which is in the best interests of the people it governs.
- 5.3 Effective community consultation processes must be established from the outset for any negotiations for a China-Australia FTA. The processes must be transparent, accountable and representative and should include both the Australian and Chinese communities.

### Recommendations

That clear processes be established for effective and inclusive consultation.

That reasonable timeframes are set allowing plenty of time for effective input by the public.

That modeling and impact studies are undertaken to ensure the FTA satisfies a broad ranging public interest test.

## 6. Conclusion

- 6.1 While recognising that trade with Asia is vital for Australia's economy the ANF is not convinced that bilateral trade agreements necessarily provide the expected positive outcomes. The reality of bilateral agreements is often that one side, usually the bigger player, tends to win and the 'wins' are not related to trade ideals but to the weighted market objectives of that nation. In the current Asian economic climate, Australia is not the big guy, and wins may be hard to come by.
- 6.2 It is hoped that we can develop a nation building agenda capable of ensuring Australia can compete fairly and effectively in the international arena, an agenda based on industry development, job creation, skills and education, research and innovation. We urge that Australia's integrity, social assets and economy are not threatened by a view that 'free' trade must come at a cost.