

# Political parties' responses to 10 bottom lines for New Zealand's future trade policy



Tens of thousands of New Zealanders marched against the TPPA in February last year because they believed that trade should never come at the expense of democracy, social policy and environmental protection. The TPPA initially looked dead after the United States pulled out of the agreement. Since then, however, the National Government has led the charge to revive the TPPA without the United States. Trade Minister Todd McClay has [made it clear](#) that he hopes to sign New Zealand up to the TPPA-11 in November of this year. The agreement is likely to be identical to the original TPPA except for the parties.

This election year, It's Our Future has developed [10 bottom lines](#) for New Zealand's future trade policy. These positions are designed to reflect New Zealanders' concerns about the TPPA and to provide a standard against which future trade and investment agreements can be assessed.

We have asked the trade representatives from the National, Labour, New Zealand First, The Māori Party, The Opportunities Party, and the Greens where they stood on each of these demands so that concerned New Zealanders know who to vote for if they want a positive change in New Zealand's future trade and investment policy.

The table below shows each parties position, while their full responses are on pages 2-5 of this document.

	Greens	Māori Party	NZ First	Labour	TOP	National
1. An end to secrecy	Great!	Great!	Great!	Unclear	Unclear	Woeful
2. Democratic oversight	Great!	Great!	Great!	Unclear	Unclear	Woeful
3. Unrestricted right to protect the public interest and the environment	Great!	Great!	Great!	Vague, but an improvement on National	Agrees in principle	Woeful
4. Regulation of overseas investment	Great!	Great!	Great!	Good	Agrees in principle	Woeful
5. Protection of international law	Great!	Great!	Great!	Unclear	Agrees in principle	Woeful
6. No Investor-State Dispute Settlement	Great!	Great!	Great!	Agrees in principle, but no clear commitment	Agrees in principle	Woeful
7. Honour the Treaty of Waitangi	Great!	Great!	Great!	Supports the current exception	Agrees in principle	OK
8. Exclude local government	Great!	Great!	Great!	Unclear	Agrees in principle	Woeful
9. Retain the role of the State	Great!	Great!	Great!	Vague, but an improvement on National	Agrees in principle	Woeful
10. Promote the free flow of knowledge and information	Great!	Great!	Great!	Unclear	Agrees in principle	Woeful

## In summary:

**Great job by the Greens, Māori Party and NZ First; Labour and T.O.P need to develop a clear position; and a vote for National is a vote for the TPPA and its substitutes.**

## The Green Party

The Green Party were consistently opposed to both the process and substance the TPPA from the beginning. On 10 August 2017, the day of the It's Our Campaign launch, the Green's trade spokesperson, Barry Coates MP, released a [blog post](#) outlining the Green's trade policy position. Unsurprisingly, this policy closely aligns with the 10 It's Our Future bottom lines. While the policy is silent on the application of trade and investment agreements to local government, the concerns for regulatory autonomy for local government underlying that bottom line are addressed elsewhere in the Green's policy.

## The Māori Party

Māori Party co-leader Marama Fox MP presented her party's trade policy position at the It's Our Future campaign launch on 10 August 2017. In her presentation Marama detailed her party's consistent criticism of the TPPA, particularly so with respect to its impact on the application of Te Tiriti o Waitangi. In subsequent communications with It's Our Future, Ms Fox has confirmed the Maori Party's support for each of the 10 bottom lines.

## The National Party

While Minister McClay declined to address the 10 It's Our Future bottom lines, the National Party's position is evident in their actions. A vote for National is a vote for the Zombie TPPA.

The TPPA was negotiated under the National-led government. Despite the widespread criticism of the agreement, National signed the TPPA in February 2016. New Zealand subsequently became one of only two countries to ratify the agreement after the withdrawal of the United States.

In recent times, Trade Minister Todd McClay MP has aggressively sought the conclusion of a the TPPA-11 (i.e the TPPA without the United States). Minister McClay has been clear in press interviews, and more recently in Parliamentary questions, that New Zealand under the National Party are seeking to sign the TPPA-11 with minimal, if any, changes to the substance of the original agreement. The "OK" rating we have given National against the 10 bottom lines reflects the inclusion of a (weak) exception for the Treaty of Waitangi in the TPPA text.

[In Parliament on 17 August 2017](#) Minister McClay claimed, on one hand, that the TPPA-11 would "creates tens of thousands of jobs and add billions to our economy", while confirming on the other that a National Interest Analysis as to the effects of the agreement would not be released until after it had been signed. The Minister's claim about the benefits of the TPPA-11 are not credible, given the [marginal projected benefits](#) of the original TPPA (including the United States) and the lack of any evidence to suggest that the TPPA-11 would be any different.

The Minister also characterised opposition to the TPPA-11, especially from the Labour Party, as being "anti-trade". This is far from the case. The other New Zealand political parties have been very clear that they are supportive of developing our trade relationships with other countries. The 10 bottom lines developed by It's Our Future are consistent with this position.

## New Zealand First

As with the Green and Māori parties, New Zealand First consistently opposed the TPPA and have advocated for greater transparency in the negotiation of international trade and investment agreements.

In response to the 10 It's Our Future bottom lines, New Zealand trade spokesperson Fletcher Tabuteau MP agreed with all 10 positions as follows:

- 1. Yes, NZ First has railed against the secret nature of the international partnership agreements. We see the European model as a way forward. We as a people must have an idea of what these treaties will include, for good or bad.*
- 2. NZ First was the only party to create legislation, this term, dealing specifically with Parliamentary oversight. The private members bill, International Transparent Treaties Bill from Fletcher Tabuteau, the party's trade spokesperson set out that Parliament would be the ultimate arbiter of our international trade obligations, not the executive. This stipulated the select committee process and how this international treaties must be debated in the house before the executive signs.*
- 3. Yes, our right to protect our environment must be paramount. As NZ First has said on numerous occasions. The reading of the TPP shows vague and circular type language in the environment clauses but has definitive and actionable language in the investment clauses.*
- 4. It goes without saying, but bears repeating that NZ First believes whole heartedly that we as a nation must be the ones who determine our future and believes that what this current government calls investment is simply a buy up of our land and our assets. We can see some types of partnerships that would work for NZ, but these are few and far between and when agreed must be clearly to the advantage of New Zealand and its people.*
- 5. Yes. Word for word we agree. Trade and investment agreements must not undermine states' obligations in other international agreements, including those protecting human rights, labour standards and the environment.*
- 6. Again, NZ First was the only party that wrote legislation and had the members bill, 'Fighting Foreign Corporate Control' drawn from the ballot. This also included a nationwide campaign to oppose the inclusion of the ISDS. Unfortunately, you pick whose fault it was, ACT and United Future, with National of course voted it down and it was lost in its first reading by one vote.*
- 7. Yes, Māori indeed all New Zealanders must be protected.*
- 8. We have argued this should be the case in our debates on the TPP. It is too much to ask councils to comply when all they want is economic growth in their own backyards.*

9. *NZ First will always advocate for a democratically accountable state. We believe it is through this system that the people of New Zealand will best be able to hold those who presume to represent them accountable. The corporatization and neo liberal agenda to extract profit for a select few is reprehensible. Schools for example are best provided by our public funds through the government of the day and we should not seek to extract profit from this exercise, rather we should allow our public schools the flexibility they are asking for to best deliver education to our children.*

10. *And yes, agree with point ten.*

## The Labour Party

The Labour Party position on the TPPA was unclear for a long time. Eventually, by which time the TPPA had already been signed, then-leader Andrew Little MP took the position that Labour would not support the TPPA in its final form. Labour subsequently voted against the agreement in the largely symbolic parliamentary vote on the agreement, and again against the enabling legislation. The eventual Labour position on the original TPPA is set out on its website:

*National has agreed to a deal, negotiated in secret, that fails to deliver promised economic gains, and would stop a future government passing laws in the best interests of New Zealanders. Labour cannot support the TPPA as it stands. We support free trade, but the TPPA is more than just a trade deal. In government, we will seek to renegotiate parts of the agreement that undermine our sovereignty such as the ban on New Zealand stopping foreign speculators from buying up our homes.*

*Labour voted against the TPPA because it cut across New Zealand's right to pass laws in its own interests. We will continue to stand up for New Zealand, and to promote laws and policies that are in the best interests of New Zealanders.*

### **Our critique**

*What the Government has agreed to in the TPPA compromises New Zealand's sovereignty. They have been secretive and dishonest with the New Zealand public about what the deal actually means.*

*Under the TPPA:*

*Our Parliament would not be allowed to ban overseas speculators from buying up Kiwi homes. Other countries, including Australia, negotiated an exemption from this clause but National failed to do so for New Zealand. Foreign corporations could sue the government over policy changes seen as affecting their businesses. New Zealanders' access to life-saving drugs could be restricted as our laws are tilted in favour of US pharmaceutical companies.*

*The economic gains claimed by the government are modest, and are being shown to be based on outdated information. An independent study from Tufts University using newer information shows the TPPA would mean, at best, an increase of 0.77% of GDP in 15 years' time. The same study shows the TPPA would lead to up to 6,000 job losses and a transfer of wealth from working New Zealanders to foreign corporates.*

At the launch of the It's Our Future campaign on 10 August 2017, Labour's trade spokesperson David Parker MP did not directly address the 10 It's Our Future bottom lines. Mr Parker did, however:

- Confirm that Labour would not support the TPPA in its current form;
- Criticise the secretive manner in which the TPPA was negotiated;
- Support the current Treaty of Waitangi exception in the TPPA;
- Emphasise that the Labour Party, while supportive of bilateral and multilateral trade and investment agreements, would not cede the ability to restrict overseas ownership of New Zealand house and farms, to control non-humanitarian immigration; to tax overseas investors or to operate state-owned enterprises;
- Indicate that the Labour Party would prefer not to include Investor-State Dispute Settlement provisions in future trade and investment agreements (although he stopped short of clear position on this point); and
- Advocate for greater support for the diversification of the New Zealand export market.

Labour has yet to release a comprehensive trade policy in advance of the general election on 23 September and has not responded directly to the 10 It's Our Future bottom lines. As such, it is not possible to clearly assess the extent to which Labour would diverge from the policy position of the National Party should it enter into government.

## The Opportunities Party

In response to the 10 It's Our Future bottom lines, The Opportunities Party co-leader Geoff Simmons emphasised that the party was still in the process of developing and releasing its policy positions in the lead up to its first general election. Nonetheless, Mr Simmons stated that the The Opportunities Party:

- Is supportive of the principle of free trade, but that it would not tolerate public policy being compromised in its name. In that respect the Party agrees in principle with demands 3-9, but is not able to take a firm position at this stage.
  - Is mindful that favoritism for NZ businesses over foreign firms would inevitably result in reciprocal measures, and that this may have negative implications.
  - Would ensure tax incidence on foreign firms operating in NZ is no easier than on local firms.
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