



australian nursing federation

Submission on issues relevant to the potential Australian - Japan Free Trade Agreement

1. Introduction

- 1.1 The Australian Nursing Federation (ANF) welcomes the opportunity to make a submission in relation to the Australian - Japan Free Trade Agreement (FTA).
- 1.2 The ANF is the national union for nurses in Australia with Branches in each state and territory¹. 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.
- 1.3 The ANF's 150,000 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.
- 1.4 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.
- 1.5 The ANF represents Australian nursing internationally through links with other national and international nursing organisations, professional associations and international labour organisations. The ANF is a member of the Commonwealth Nurses Federation and the South Pacific Nurses Forum, and is affiliated to the Australian Council of Trade Unions, the Australian Council of Social Services, the Public Health Association of Australia, the International Centre for Trade Union Rights and the Australian People for Health, Education and Development Abroad (APHEDA), which is the overseas aid agency of the trade union movement.
- 1.6 The ANF recognises the economic benefits of international trade and that it is vital to strengthening the Australian economy. The notion of free trade, however, and the circumstances under which trade takes place, are of concern. International trade does not take place on a level playing field. It does not properly account for the inequities between trading partners in the developed and developing worlds, despite assurances to the contrary. Negotiations are dominated by the most powerful economies, often to the disadvantage of smaller and developing

¹ ANF Victorian Branch, ANF Tasmanian Branch, ANF SA Branch, ANF WA Branch, ANF NT Branch, ANF ACT Branch, ANF Queensland Branch (Queensland Nurses Union) and ANF NSW Branch (NSW Nurses Union).

countries. A report by Oxfam Community Aid Abroad, *Rigged Rules and Double Standards: Trade, Globalisations and the fight against poverty*², illustrates some of the ways that international trade rules are geared to benefit wealthy nations at the expense of poorer ones. The ANF is more supportive of the concept of fair trade, which takes into account these inequalities and seeks to actively address them.

- 1.7 Trade agreements should not disempower governments, nor undermine public and social services; nor should they 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.
- 1.8 The ANF submission covers 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. Governments provide public health services for social policy reasons that correct the failure of free markets to meet the broader community goal of universal and equitable access to health services. 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.
- 2.2 Australia's public health services are based on the principles of universal access at time of need and not on capacity to pay. The ANF supports these principles and contends that liberalising investment in public services such as health services, may lead to a range of problems including increased cost of services, decreased access of 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 Watkins K and Fowler P 2003 *Rigged rules and double standards: Trade, globalisation and the fight against poverty* Oxfam <http://publications.oxfam.org.uk>

Essential social services may be compromised and must not be traded away in the name of free trade (eg. Pharmaceutical Benefits Scheme).

- 2.3 An important factor to consider when assessing services to be included in any FTA is how intrinsic they are to the fabric of Australian society. Our public health services are fundamental to the quality of every Australian's life and needs to be protected so that their quality and/or accessibility are not compromised. Australia should also respect the right of other nations to do the same.

Recommendation

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

3. The impact of the agreement on the nursing profession

- 3.1 Nursing in Australia is a licensed profession. There are two levels of licensed 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 sector at Certificate IV or Diploma level. Of the total number of regulated nurses, 80% are registered nurses and 20% are enrolled nurses³. There is also in Australia an unlicensed third level nursing support worker (assistant in nursing or personal care assistant) who are educated in the vocational education sector at Certificate III level and who work predominantly in the aged care sector.
- 3.2 The public sector remains the primary employer of registered and enrolled nurses. In 2004 (currently the most recent year in which figures are available for the nursing workforce), 65.5% of nurses were employed in the public sector, with 34.5% of nurses employed in the private sector⁴.
- 3.3 It is a concern to 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.
- 3.4 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

³ Australian Institute of Health and Welfare 2006 *Nursing and Midwifery labour force 2004* AIHW Canberra

⁴ Australian Institute of Health and Welfare 2006 *Nursing and Midwifery labour force 2004* AIHW Canberra

Nursing and Midwifery 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.

- 3.5 Any relaxation of the legislation regulating nurses and nursing services 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.
- 3.6 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.
- 3.7 There are significant advantages and added value for countries and for the nursing profession if nurses from Australia and nurses from other countries have the opportunity to travel and share their experiences and also to gain additional qualifications. There is already considerable movement between countries within the nursing profession. Facilitating greater movement should focus on raising standards in partner countries to that which already exist in Australia and New Zealand.
- 3.8 Inclusion of education services in FTAs also has an impact on nursing. Australia is one of the few countries whose registered nurses are all prepared to the same educational standard – the Bachelor degree level, a standard to which most other countries are now aspiring. Nursing services are essential to the health and well being of the Australian community and to the effective and efficient operation of Australia's health services. Any threat to the availability, high standard and national consistency of nursing education in the higher education sector, is a threat to the viability of Australia's health system.

Recommendation

Nursing must remain a regulated profession and in order to maintain standards and provide protection for the public, all nurses in Australia and all overseas nurses seeking to work in Australia must be required to meet the Australian Nursing and Midwifery Council's 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 Organisation conventions. Within any FTA Australia must not engage in labour related activities that do not meet such conventions. This is unacceptable and cannot be condoned in the guise of a free trade agreement. Consideration must be given to any negative impact on employment, labour and environmental conditions.

Recommendation

The FTA negotiations must examine how compliant Australia and Japan 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.

The negotiations must examine how recent trade developments have impacted on environmental conditions 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 Australian's the confidence that there has been proper and thorough public scrutiny, including a multi-disciplinary analysis of the social-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 negotiations for a FTA between Australia and Japan 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 FTA between Australia and Japan. The processes must be transparent, accountable and representative and should include both the Australian and Japanese communities.

Recommendation

Clear processes must be established for effective and inclusive consultation and reasonable timeframes are set allowing plenty of time for effective input by the public.

That the proposed FTA negotiations examine how recent trade developments have impacted on environmental conditions and how an FTA might further impact on those conditions.

6. Conclusion

- 6.1 While recognising that trade with Asia and the Pacific 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 and Pacific economic climate wins for Australia 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.
- 6.3 It has been the ANF's experience that the level of understanding by Australian Governments and Australian Government Departments about the nursing profession in Australia is not high, which reinforces the need for regular and ongoing dialogue. It is imperative that the ANF continues to be consulted in relation to the FTA negotiations, particularly in relation to nursing, but also in relation to other health services and issues, and education as it impacts on nursing. Decisions about nursing and health services could potentially have far reaching impacts on the way these services are provided domestically and should only be made following extensive discussion and debate. The ANF is committed to positive and constructive dialogue.