

Date 12th December 2013

Proposer Cr Paul Bruce

1: Purpose

Conditions support for Trans-Pacific Partnership Agreement

2: Background and comment

A government procurement chapter of the Transpacific Partnership Agreement (TPPA) could stop future central and local governments giving an advantage to local suppliers to help economic development. It could also prevent governments requiring suppliers to meet conditions such as paying a living wage, or health and safety initiatives being developed, possibly some aspects of environmental protection and Greenhouse Emissions.

Local governments must be allowed to accept tenders from local suppliers even if they are slightly more expensive than overseas competitors as many local governments have done.

The agreements do not allow conditions on suppliers other than those that are essential to ensure that they have the legal and financial capacities and the commercial and technical abilities to supply the goods or services. That does not allow governments to say suppliers should pay a living wage. Nor does it allow a government to require that suppliers have workplace health and safety standards that above the minimum required for employers in general, as was recommended by the Independent Taskforce on Workplace Health and Safety and accepted by the Government.

The Government must also tell us which government entities are being bound up by these agreements. Future governments can change domestic rules – but not if these international agreements are signed.

Local Government needs answers to many questions before the TPPA goes any further.

3. Communication

The Council decision should be communicated to the Crown Minister responsible for negotiating a Trans Pacific Paternership Agreement, the Hon Tim Grosser.

4. The decision-making process and significance

The options are to make a submission to central Government or not on the potential implications of the TPPA to Local Government. The significance of a decision to communicate with central Government is likely to be of low to medium significance to the Council. However, the outcome of a TPPA is of medium to high importance to the decision making framework of LGNZ and the Council

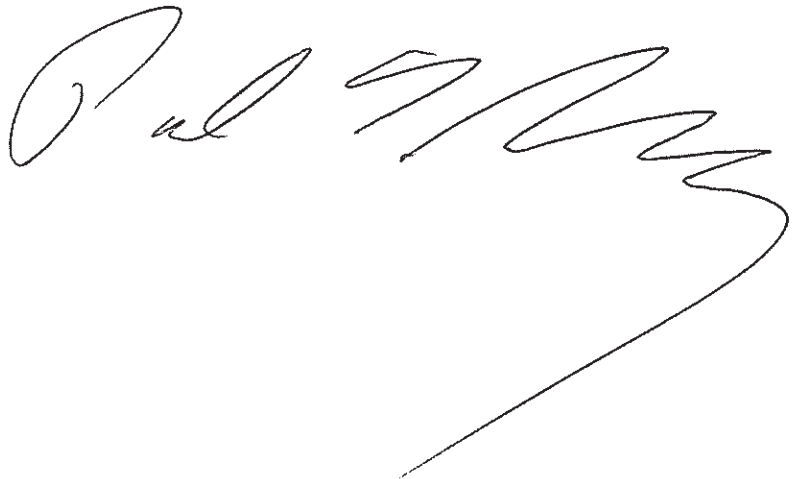
5. Recommendations

The Council expresses concern at the lack of information available to it regarding the potential implications of the Trans-Pacific Partnership Agreement for the roles and responsibilities of local government in general, and the Wellington region in particular, and conditions its support for the agreement and other similar agreements on being satisfied, after effective consultations, that it complies with all the following conditions:

1. Continues to allow the Greater Wellington Regional Council and other Councils, if they so choose, to adopt procurement policies that provide for a significant degree of local preference; to choose whether particular services or facilities are provided in house, by council-controlled organisations (CCOs) or by contracting out; or to require higher health and safety, environmental protection, employment rights and conditions, community participation, animal protection or human rights standards than national or international minimum standards.
2. Does not give overseas investors or suppliers any greater rights than domestic investors and suppliers, such as special protections for investments or access to Investor-State Dispute Settlement, or reduce our ability to control overseas investment or finance;
3. Will be subject, before it is signed, to a full and independent social, environmental and economic impact assessment that is then opened for public submissions; and
4. Will not be ratified until the text has been tabled in the House and the appropriate select committees, including the Local Government and Environment Committee, have had adequate time to consider the parts that are relevant to their responsibilities, call for and hear submissions, and report back to the House on whether any amendment is required, and for a vote.

Cr Paul Bruce

4th December 2013

A handwritten signature in black ink, appearing to read 'Paul Bruce', with a long, sweeping underline that extends to the right and then curves downwards.