

Trade and Foreign Investment Policy

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Introduction

Aotearoa New Zealand has a long history of international trade. The Green Party recognises the importance of trade to our economy, and wants Aotearoa New Zealand to continue to trade and prosper. However, global trade as a source of prosperity now exceeds sustainable ecological limits, and in many countries it has increased rather than decreased poverty, ill health and social distress. The existing international trading regime prevents equitable economic development, rather than supporting it. The Green Party believes that Aotearoa New Zealand needs to respect the ecological and social limits to trade, develop ways to trade wisely, and form part of an international movement to reform the foreign investment and trade system.

Vision

The Green Party envisions an Aotearoa/New Zealand in which:

- Trade and investment decisions value environmental sustainability and social equity.
- There is ecologically sustainable production and consumption of traded goods and services.
- Methods of exporting and importing goods and services are ecologically sound.
- International trade rules are fair and there is equity in global trading.

Key Principles

The Green Party of Aotearoa New Zealand policy on trade and investment is based on the following principles:

1. The ecological limits to production and trade need to be understood and respected.
2. Sustainable and just ways to economic development and prosperity need to be promoted, locally, nationally, and internationally.
3. Human rights and fair labour standards must be promoted and respected.
4. Good global citizenship and corporate responsibility needs to be promoted and enforced.
5. The environment must be protected.

Specific Policy Points

1. Trade agreements must respect democracy and sovereignty, and promote good international governance.

The Green Party believes that New Zealanders need to be involved in making decisions about international trade and investment, and we want to ensure that trade and investment is consistent with respecting environmental and social rights, responsibilities and standards. This means that New Zealand needs a more democratic approach to economic decision-making nationally and internationally. International trade agreements must be subject to international environmental and labour treaties, and must not override them.

The Green Party will:

1. Ensure all international treaty texts are open to public scrutiny, give full effect to Aotearoa New Zealand's Te Tiriti o Waitangi responsibilities and obligations, and require a vote in Parliament before being signed.
2. Strengthen the powers of international environmental organisations, labour and human rights organisations, and development organisations (e.g. United Nations Environment Programme, International Labour Organisation, United Nations Conference on Trade and Development) to enable them to enforce their mandate and restrain unfair and unsustainable trading practices.
3. Work towards the development of an International Trading Organisation and regional trading agreements that respect and uphold international labour and environmental agreements, to replace the World Trade Organisation and existing unfair and unsustainable bilateral and multilateral trade agreements.

The Green Party will ensure that Aotearoa New Zealand's sovereign right to protect all its citizens and its natural environment from exploitation and degradation is maintained and not compromised by global trade policies and commitments.

The Green Party will:

4. Support the right of Aotearoa New Zealand and other nations to encourage local, social and ecologically sustainable development, and foster self-reliance (e.g. oppose forced trade through compulsory market access and similar mechanisms).
5. Preserve the right of tangata whenua to protect themselves and their taonga from trade and investment related exploitation.
6. Stop the transfer of decision-making about food standards and safety and health products to unaccountable trans-national agencies (e.g. Food Standards Australian New Zealand).
7. Review existing World Trade Organisation and other trade treaty commitments and limit or roll back their application where these are not consistent with exercising positive sovereignty.

2. Human rights and labour standards must be respected, and good global citizenship promoted.

The Green Party believes that Aotearoa New Zealand's trading regime needs to respect human rights in both the production and distribution of trade goods and services. International trading corporations also need to be encouraged to be good corporate citizens, pay fair taxes, safeguard the environment, and employ sound labour practices.

The Green Party will:

1. Prevent the importation of goods made or produced by slave, prison, and child

- labour, as defined by the International Labour Organisation.
2. Develop, monitor and enforce a Code of Corporate Responsibility applying to all corporations in Aotearoa New Zealand (see our [Economics](#) Policy).
 3. Promote a Code of Corporate Responsibility at the international level.
 4. Work towards replacing the World Trade Organisation's Trade Related Intellectual Property Rights (TRIPS) system with a fairer system, including guaranteed access to essential medicines and protection of indigenous knowledge and biodiversity.

3. Environmental standards and ecological sustainability must be promoted.

The current regime of global trade compromises biodiversity and biosecurity nationally and internationally. Biodiversity and biosecurity protection and promotion measures should be implemented ahead of trade promotion measures to prevent the loss, or compromise, of sustainable production and distribution. Exporting and importing methods must respect the need to conserve fuel resources and use them sustainably.

The Green Party will:

1. Support initiatives to give Multinational Environmental Agreements precedence over the World Trade Organisation rules affecting the environment.
2. Prohibit trade in genetically modified organisms except under strict biosecurity controls for contained use in diagnostics, understanding of heredity, and development of medicines.
3. Require full labeling for traded goods, with regard to both contents and Country of Origin.
4. Ban trade in hazardous wastes unless for the purpose of safe recycling or reprocessing.
5. Ban trade in unsustainable wild harvests.
6. Develop a biosecurity strategy and amend the Biosecurity Act to ensure all biosecurity threats from national and international trade are identified and the risks managed (see our [Conservation](#) and [Agriculture and Rural Affairs](#) policies).

A. Sustainable production and distribution of traded goods

Every nation's right to foster and encourage local economic development for environmental and social enhancement and sustainability must be supported. Aotearoa New Zealand should make every effort to ensure that its exports are produced and its imports are obtained without compromising biodiversity and ecological sustainability.

The Green Party will:

1. Work with like-minded governments and organisations to develop common standards and labelling of environmental impact for products and services, including for example carbon emissions, country of origin or distance travelled. Allow for the restriction or prohibition of imported products and services that do not meet these standards.
2. Support measures that maximise returns from exports (such as supporting value-added and comparative advantage sectors and industries).
3. Support measures to assist import-substitution industries and reduce our dependence on imported products.
4. Support moves to include the full costs of climate change and other environmental problems in international transport costs (see our [Climate Change](#) and [Transport](#) policy).
5. Discourage transporting equivalent goods long distances in opposite directions

- at great energy cost.
6. Promote locally produced food, where possible, in preference to imported food (see our [Food](#) policy).
 7. Re-focus government-supported export promotion activities to achieve sustainable production and distribution goals.

4. Promoting just and sustainable development

The Greens believe that just and sustainable development is a priority and that international trade should only be encouraged when it contributes to sustainable development. Aotearoa New Zealand must make use of the full range of protection and promotion mechanisms that are available to achieve this aim, wherever appropriate.

The Green Party will:

1. Encourage and facilitate bilateral fair trading relationships between Aotearoa New Zealand and developing countries where they support sustainable development.
2. Support the retention or imposition of tariffs, quotas or bans where useful to prevent unfair competition caused by unjust or unsustainable production practices in the country of origin (e.g. unsustainable logging, forced labour).
3. Support the option of using an across-the-board tariff to address balance of payments problems.
4. Support international rules to end export subsidies and subsidised production for export.
5. Support the right of all nations to develop and enforce national food security policies and oppose the undermining of such policies via international trade agreements.
6. Oppose trade de-regulation in public goods, services and utilities (e.g. health, education, water, electricity, telecommunications) and, where desirable, roll back GATS (General Agreement on Trade and Services) commitments.

A. Investment safeguards

Foreign investment must meet justice and sustainability criteria, and not be merely speculative, or lead to the expatriation of profits from a country's productive assets, or the alienation of a country's land from its citizens. Foreign investment in Aotearoa New Zealand has increased dramatically in the last decade. Despite controlling nearly 50% of the sharemarket, foreign investors employ less than one quarter of the labour force, and reinvest in Aotearoa New Zealand less than one quarter of the profits made here.

The Green Party will:

1. Ensure that international and bilateral agreements put the rights of peoples and governments before those of multinational company investors.
2. Support stronger controls on foreign investment in New Zealand to minimise the negative effects of speculative and other non-productive foreign investment.
3. Ensure any overseas investment in New Zealand meets much more stringent conditions in order to be approved by the appropriate government authority and the Minister by:
 - a. Reserving land ownership for New Zealand citizens and permanent residents; and
 - b. Distinguishing between new investment in sustainable enterprises and the simple purchase of existing businesses and resources with a view to exporting profits when prioritising foreign investment approvals.
 - c. Applying the National Interest Analysis required under the Overseas

Investment Act to all foreign investment proposals i.e. buildings, businesses, land and marine farms, and where the purchasing entity is 10% or more foreign owned reduce the threshold for scrutiny to 10 million.

- d. Amending the Overseas Investment Act to restrict the sale of high country property to New Zealand citizens or residents who reside in New Zealand for at least 185 days a year for three years before purchase.
4. Require international businesses with significant operations within New Zealand to:
 - a. Establish local subsidiaries that are incorporated within New Zealand, and encourage the development of joint ventures and other mechanisms to create a local ownership stake in activities.
 - b. Meet the same conditions for sustainable practises that we expect of New Zealand companies.
5. Support the international initiative for a charter of responsibilities for overseas investors.