

The Queen's Speech and the trade bill

On 21st June 2017, the UK government announced its intention to introduce a trade bill in the Queen's Speech. Below, the Trade Justice Movement sets out three steps to ensure that bill is fit for purpose.

Step 1: Get the right principles

Trade is a means to an end, not an end in itself. That end is a higher quality of life and a better environment for all. This requires access to quality goods and services, and well-paying, dignified jobs for the people that deliver them. It goes without saying that trade agreements should never undermine social, environmental and human rights as expressed in national and international law. But beyond that, the trade system must begin to play a positive role in delivering societies that work for all of us.

Step 2: Get the right process

It is over 40 years since the UK concluded its own trade agreements. The current rules for the negotiation and ratification of trade agreements are outdated and threadbare. There is currently no guarantee of transparency or public engagement in the process. Incredibly, current rules allow the government to effectively sideline Parliament and force through trade deals that may otherwise be voted down by MPs. This puts the UK far behind the US and EU in terms of the democratic scrutiny of trade, and is unacceptable given the impact of trade deals on other areas of policy from development to the environment to labour rights.

A trade bill must establish a process that grants MPs – our democratic representatives – powers to scrutinise and amend, and approve or reject trade agreements. The trade bill must provide the public and MPs a role in setting the mandate of the government to negotiate agreements, with a remit for the devolved administrations. Once in place, Parliament must have the right to review and withdraw from trade agreements in a timely manner.

Step 3: Get the right practice

Each trade agreement will be different, but a core set of commitments should be at the heart of all of the UK's agreements. These should include:

- A commitment of all parties to deliver on their public international law commitments on the environment, labour, social and human rights, as well as the Sustainable Development Goals – and acknowledgement of the supremacy of these commitments to the extent that they are incompatible with trade rules
- Ratification of a set of international agreements – for example the Paris Agreement on climate change and ILO Conventions – as a prerequisite for signing trade agreements
- A recognition that trade agreements should align with domestic industrial strategies, and not restrict the freedom of governments to develop their domestic economies or pursue social and environmental measures in the public interest
- A duty on international investors to adhere to the laws of the countries in which they do business, and international human rights and environmental instruments to which the UK is a signatory. These duties should be enforceable in the UK with effective mechanisms of redress. Investor rights should be narrowly defined and investor-only dispute resolution tribunals removed

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