

International Trade Committee

Oral evidence: [UK trade negotiations: Agreement with New Zealand, HC 78](#)

Wednesday 25 May 2022

Ordered by the House of Commons to be published on 25 May 2022.

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Members present: Angus Brendan MacNeil (Chair); Mark Garnier; Paul Girvan; Sir Mark Hendrick; Tony Lloyd; Anthony Mangnall; Mark Menzies; Lloyd Russell-Moyle; Martin Vickers; Mick Whitley; and Mike Wood.

Questions 83 - 106

Witnesses

[II](#): Dr Barbara Allen, Senior Lecturer, School of Government, Victoria School of Wellington; Sue Davies, Head of Consumer Rights and Food Policy, Which?; Dr Jason Paul Mika, Association Professor, School of Management, Massey University and Sir Lockwood Smith, former New Zealand trade minister and former High Commissioner to the UK.

Written evidence from witnesses:

– [Which?](#)



Examination of witnesses

Witnesses: Dr Barbara Allen, Sue Davies, Dr Jason Paul Mika and Sir Lockwood Smith.

Q83 **Chair:** Welcome back to the second half of the International Trade Committee's evidence session in our agreement with New Zealand inquiry. We have a panel of four, all virtual this time, from various corners of the planet, not just of London. I can see Barbara Allen, Sue Davies, Jason Paul Mika and Sir Lockwood Smith. Can you all introduce yourselves, name, rank and serial number? I will start with Dr Barbara Allen first.

Dr Allen: Hi. Yes, I am Barbara Allen. I am a senior lecturer in public policy and public management at Victoria University, Te Herenga Waka. I have been in New Zealand for six years, and previously in the UK for 10. I am Canadian before that. My area is primarily procurement and public policy. Thank you for the opportunity to speak.

Chair: Fantastic. Moving around the planet quite a lot indeed. Sue Davies.

Sue Davies: Good morning. I am Sue Davies, and I am head of consumer rights and food policy at Which?, the consumer organisation.

Dr Mika: Kia ora koutou, my name is Jason Mika, from Waikato University in Hamilton. I am an associate professor there at the Waikato Management School. My area of interest is indigenous business, and I belong to the Tūhoe, Whakatōhea, Ngāti Awa and Ngāti Kahungunu tribes in the North Island.

Chair: Thank you very much. And finally, Sir Lockwood Smith.

Sir Lockwood Smith: Thank you, Chair. You guys had to put up with me before, so I will not waste too much time of your time. I've been farming in New Zealand all my life. I'm a former academic in agricultural science, a former Minister for agriculture, a Minister for international trade and a Minister for education, a former high commissioner to the United Kingdom and a former ambassador to Ireland. Of course, I currently serve on your Trade and Agricultural Commission.

Chair: Thank you. Given the volume of witnesses that we have from New Zealand this morning, perhaps it might have been better had we gone to New Zealand ourselves, Committee. I am not exactly sure if you agree or disagree with that remark.

Lloyd Russell-Moyle: Maybe we still can.

Q84 **Chair:** Maybe we still can, there you go—there's a bid if ever there was one.

This is a question to you all. The New Zealand-UK trade agreement



includes level playing field chapters on issues such as gender equality, Māori trade and environment. What is the value of including chapters such as these in FTAs, and what difference do you think they make in practise? I am looking for brief answers from you all because we are looking to end at midday. Sue Davies.

Sue Davies: We are really pleased that the UK-New Zealand deal is the first deal that has a consumer protection chapter within it. This is something that Which? has been calling for the UK to promote across all of its trade deals. It is often easy to look at consumer interests as being purely about enhancing choice and lower prices, and certainly that has been the main focus of the Government impact assessment, but obviously trade deals will have huge implications for consumers across all of the chapters. We are pleased that rather than having some consumer protection measures within, say, a competition chapter, in this case, the UK and New Zealand have a more detailed consumer protection chapter that agrees to a range of co-operation on enforcement, consumer address and transparency about consumer protections, which we think will help consumers when they are shopping online or dealing with other types of commerce.

This is an important precedent that we would like the UK to use in its other deals that are under negotiation. Mexico has obviously recently launched, Canada is under way, and there is India. But it is also about building on this as well, so that we are not just looking at consumer protection, but recognising that consumer interest extends to SPS measures. We know that food standards are a key priority for consumers, for example. there are also issues such as technical barriers to trade in terms of products and quality standards, data protection and also environmental protection. We think that setting out these key principles in a similar way to what has been done previously for SMEs is really important in showing that trade deals have an important impact for consumers.

Q85 **Chair:** Thank you. Dr Mika, can I call on you just to answer that as well please?

Dr Mika: Kia ora, Mr Chairman. Kia ora, Committee. There are two ways to look at the issue. One is, I guess, what Māori were expecting from the free trade agreement and what was ultimately provided for in the agreement. Based on research that we did with Māori enterprises last year, the expectations that they had, particularly Māori business, was for the free trade agreement to reflect the relationship between Māori and the British Crown, as treaty partners, so there was more than just an economic opportunity from the free trade agreement that was expected. It was actually to recognise that historical relationship between Māori and the Crown.

The other aspect is really around the opportunity that was presented by the free trade agreement. Māori enterprises want to do business and trade with the United Kingdom. A lot of our Māori people live and work in



the United Kingdom. Māori aspired to diversify their markets, and also to offer the UK customer, or consumer, high-quality products and services infused with an indigenous element.

These were some of the expectations, but they are also concerned about the challenges: the possibility of misappropriation of Māori cultural and intellectual property, and concerns that Māori and indigenous treaty rights might be compromised or eroded. So there were also some concerns.

There was also an expectation amongst Māori that they would be at the negotiating table of the FTA, not just as a stakeholder, not just as an interest group, but as a treaty partner, as an indigenous people. There was both the opportunity and the challenge, but also a desire to be involved in every part of the process.

What transpired after that research was completed is the free trade agreement that is in front of us. Within that there is a Māori trade and economic co-operation chapter that does seek to advance Māori aspirations and Māori wellbeing, which is important. There is provision for it, but from a Māori perspective, I guess what Māori were expecting was to be involved in every aspect of the FTA in terms of its design, its implementation and its evaluation as treaty partners.

Q86 Chair: You mentioned a sort of recognition of the Crown-Māori treaty, and I am guessing from what you are saying that is not really in the trade agreement. Given that the Crown or monarch is Head of State both in the UK and in New Zealand, should it be expected to be in the trade agreement? It is not necessarily that a Crown-Māori recognition of each other would come through via the UK; it could come directly within New Zealand, because the Crown is the Head of State of New Zealand too. Am I understanding things correctly or misunderstanding them?

Dr Mika: No, you are right. The treaty of Waitangi is a recognition of the relationship between Māori and the Crown, as represented in New Zealand by the Governor-General, but from a Māori perspective, there is definitely that historical tie to the United Kingdom as the original treaty partners and signatory.

Q87 Chair: Okay, thank you for that. I will take the question to Barbara and then Lockwood. Dr Barbara Allen, please.

Dr Allen: I will be brief on that one. Just reflecting on what Jason is saying as well, from what I have seen, this is an evolution, and those extra chapters—the 22 on environment, the 24 on SMEs, the trade and gender equality, and then the weaving in of the recognition of the Māori interests and the need to develop a Māori economy—are there. It is an improvement; it is a start. There are some really good things here. In the Government procurement chapter itself, there are a couple of articles on environmental, social and labour considerations and participation by SMEs. There are a number of things there that take this trade agreement



some steps forward, I believe, but as I am sure we will talk about, there is still a long way to go in terms of the Māori economy.

Chair: Thank you very much. Sir Lockwood Smith.

Sir Lockwood Smith: Mr Chairman, I would support a lot of what you have heard. Rather than seeing these chapters as so much level playing field chapters, I would argue that they are actually important chapters in their own right because both our countries have a real interest in so many of these issues. If you look at the environment chapter, it is probably the most advanced environment chapter in any trade agreement that I am aware of; it really does take things a whole step further. The way it deals with climate change is a real first in a trade agreement. I see it as progress towards a better and better outcome in a trade agreement.

Likewise, it is the first trade agreement New Zealand has signed with an animal welfare chapter. Again, that is real progress. As Sue said, this is the first trade agreement to have a consumer protection chapter in it. As Jason has pointed out, the chapter on Māori trade and economic co-operation, while it may not be everything Māori and New Zealand were seeking, it is progress. I see each of these chapters as being really important in the way they take trade agreements forward.

Chair: Thank you. I will call on Mark Garnier to perhaps push on that a bit more.

Q88 **Mark Garnier:** Yeah, I will. It is very interesting looking at the Māori trade chapter, which is, I think, a first for New Zealand. Dr Mika, you have been very helpful with your views on this and, Sir Lockwood, you were starting to talk about it. Sir Lockwood, do you see the Māori chapter in particular, although you mentioned some of the other firsts in terms of chapters, as putting a line in the sand for what New Zealand will be negotiating in every other, subsequent trade deal? Do you see this as a benchmark agreement upon which you will build in the future, or is this—particularly the Māori chapter—just a one-off for the UK?

Sir Lockwood Smith: I would say the Māori chapter is not just a one-off with the UK; it was particularly relevant that this was the first agreement that included a chapter on Māori aspirations, because of the treaty of Waitangi, which was signed way back in 1840. It is the only treaty the UK has like that; there are no other treaties. In fact, when you are commemorating the 800th anniversary of the 1215—I am trying to think of the—

Mark Garnier: Magna Carta.

Sir Lockwood Smith: Yes. The Treaty of Waitangi was actually shown alongside it in one museum in London. It is a unique treaty.

Trade agreements differ with different countries, depending on countries' aspirations, and what made this agreement quite special is that the UK and New Zealand have quite similar aspirations in terms of animal



welfare, environmental aspirations, the unique position of the treaty of Waitangi. All these things made this agreement quite precedent-setting.

But it will not be possible to achieve everything that in this agreement—for example, in the agreement New Zealand is trying to negotiate with the EU and some other agreements. It is just not possible to get some of these provisions into those agreements, but we do make progress.

Look at the first agreement New Zealand signed with China; the environment was a sort of side letter. When that agreement was reviewed some years later, there was a full chapter on the environment included. We do make progress, but it is a matter of getting good progress in an agreement like this, because it helps to be precedent-setting.

Q89 Mark Garnier: Dr Mika, just on that point about the uniqueness of the agreement with the Crown and the treaty of Waitangi, does that mean that this Māori chapter is not going to form the basis of future trade deals? For example, would you want to see a Māori chapter in the EU trade deal, or do you think it is not going to happen, because there is not a similar treaty that goes back to, whatever it was, 1840?

Dr Mika: I hope that it is the start of what will become a normal expectation and quite a standard provision that there will be Māori and indigenous trade provisions in free trade agreements. As the panel has already said, this is a start, but it needs to go further. As to just quite what that looks like, well, that is for the future.

Q90 Mark Garnier: Sir Lockwood, did you want to add anything, although very briefly, because we are pressed for time.

Sir Lockwood Smith: I agree with what Jason just said. I was not implying at all that New Zealand will not be trying to get a chapter like this on Māori trade and Māori aspirations in the future agreements. I think it will become something New Zealand will be seeking to do on all future agreements.

Q91 Mick Whitley: My question initially is to Dr Mika. The New Zealand Government said that there is a broad range of Māori interests in terms of trade between New Zealand and the UK. Broadly, what are these interests and how important is it that they are reflected in this FTA?

Dr Mika: Kia ora. As I alluded to in my opening remarks, the interests are twofold. One is that the treaty of Waitangi relationship between Māori and the Crown is recognised, and Māori rights and interests are provided for and protected. That is one side of the interests that Māori have.

The other side is to do with trade. The opportunity for Māori enterprises to do business internationally and within the United Kingdom is also a key aspiration that Māori have in order to grow the Māori economy, but also to advance Māori aspirations for wellbeing of their people and their environments, so those are key interests. However, there is also the



interest of building Māori enterprise capacity to be able to do business in the United Kingdom, so that there is an equitable opportunity and outcome for Māori in respect of trade with the United Kingdom.

Q92 **Mick Whitley:** Thanks for that. I have a couple of supplementaries, Chairman. This is to Sir Lockwood. What difference will this agreement make to UK businesses that trade with New Zealand?

Sir Lockwood Smith: You mean UK businesses exporting to New Zealand?

Mick Whitley: Yes.

Sir Lockwood Smith: I listened to some of the session before on your excellent streamed parliamentary television, and the last person to speak there about your wine and spirits industry mentioned, for example, the wiping of tariffs on gin exports to New Zealand. There are so many goods and services that New Zealand imports from the UK. They might have quite a low level of tariff, but for most of those services and goods, this agreement just wipes those tariffs. So there is going to be significant opportunity for increased trade with New Zealand.

But I do accept that New Zealand only has five million people, so it is not a big market for the UK. To me, where this agreement is so helpful to the UK, is that it is a stepping-stone to CPTPP, and CPTPP does offer real market opportunity for the UK because it introduces you across a spectrum of countries in the Asia-Pacific, and some of those countries have big populations, growing middle classes and real interest in the quality products and services that the UK produces. So, to me, this is a strategic agreement and, in some ways, it is a stepping-stone to that bigger one.

Chair: Thank you. It is a great pleasure to bring in Martin Vickers at this point.

Q93 **Martin Vickers:** Thank you, Chairman. Initially, I will put this to you, Sir Lockwood, and then to Sue: why does the FTA go further on environmental protections than the recent agreement with Australia, and which should be the model for future FTAs?

Sir Lockwood Smith: It is difficult for me to answer that because I was not in any way involved—well, apart from on the Trade and Agriculture Commission reviewing the Australian FTA. The reason why there is a difference is that New Zealand's and the UK's interests coalesced in this area, and there was greater commonality than there probably was between Australia and the UK. It is probably fair to say that New Zealand is a bit further down the track, especially in how agriculture is to deal with climate change. For example, methane emissions and ruminant animals in New Zealand have to be priced in a trading scheme by 2025, and Australia is not that far advanced—neither is the UK, as far as I am aware. But at the least there was a coalition of interest here that saw this chapter become the most advanced that I have seen in a trade



agreement. That is a good thing. We will see whether you could achieve the same thing with CPTPP. You would not get quite as much progress there, I do not think, but, as I say, each agreement depends a bit on each party's interests. In this case, the environmental interests really coincided, and that is why it made such good progress.

Q94 **Mick Whitley:** Thank you. Sue Davies, would you like to come in on that?

Sue Davies: Yes, thank you. As Sir Lockwood said, clearly this was an area where right from the start of the negotiations both the UK and New Zealand said that they saw this as a priority, and therefore we have ended up with a more comprehensive chapter than we had in the Australia deal, particularly in terms of some of the provisions relating to climate change, for example, and going further on some of the issues that we know are important to consumers in practical ways: working on the transition to electric vehicles, sustainable financial services, sustainable agriculture. Within the deal there are lots of commitments to co-operate, and whether that is successful will really depend on what comes next, on how concrete those discussions are and on the committees that are set up to take that forward and whether they actually do result in something meaningful.

We know from our consumer research that environmental protection was a real priority when we talked about all of the issues that could be part of trade deals, so people have high expectations. It is also important to look at all aspects of the trade deal, not just the environment chapter, which is an obvious point, and that includes the market access provisions. The discussion in the previous panel was really important, and although there is an emphasis on co-operation on sustainable agriculture within the environment chapter, obviously we need to be conscious of differences in standards and what the increased trade in products is going to mean for the UK's own transition to a more sustainable system of agriculture. That is where we really supported the calls from the Trade and Agriculture Commission and the Committee on Climate Change that, when the UK is negotiating trade deals, it should have a set of core food standards in place that it is going to apply to all deals. That is important for New Zealand but is also going to be really important for the trade deals to come. I think that can build on this environment chapter, but it needs to go further in some important respects too.

Q95 **Martin Vickers:** If you feel we could go further, what would you say were the principal missed opportunities?

Chair: Good question.

Sue Davies: As I said, the food standards and what the implications of opening up our market to more lamb, dairy products and beef could be in terms of our own transition to a more sustainable food system, is one of the key questions. The other issue is the mechanisms for how they are taken forward. It is positive that there will be advisory groups established



to help monitor the progress of the environment chapter, and I would hope that there would be consumer representation within those.

It is obviously also positive that the UK and New Zealand are really committing to work together through multilateral forums and discussions to drive forward this agenda. We would like to see very transparent reporting and monitoring so that we can actually see that what looks like a quite a comprehensive range of aspirations translates into some meaningful change over the longer term.

Q96 Mark Menzies: Sue, will the measures on consumer protection have any impact beyond the symbolic inclusion of a chapter?

Sue Davies: Yes, there is an important symbolic aspect to having a consumer protection chapter. As I said, consumer interests are often looked at in a very narrow way, and actually emphasising how trade deals are really important to consumers and the underlying protections is really key. The measures in the consumer protection chapter could be really positive for consumers. Consumers are increasingly trading across borders, dealing with multinational companies and buying from online platforms, and the chapter establishes some important principles, including having greater transparency about the protections available to consumers. That will be useful if you are booking a holiday and something goes wrong, if you are booking a hire car, or if you are ordering goods online and then find that they are not what you expected, that they never arrive or that you were misled about the price. So the chapter is making that more transparent.

There is also a commitment to building and working on more effective redress mechanisms. That can be really positive, but it depends on how it is actually done and whether it leads to something meaningful. We do not really have very effective redress mechanisms in the UK, even when dealing with domestic businesses in some sectors, and that is why we are pleased the Government is coming forward with a draft digital markets, consumer and competition Bill. We hope that can strengthen ADR, so having that co-operation will be important.

The really positive thing as well is about the co-operation between enforcement bodies. Again, that is an aspiration, so the issue is, what does that mean in practice? Hopefully these measures will take us further. At the moment, there is a lot of informal co-operation through global networks like the International Consumer Protection and Enforcement Network, where New Zealand and the UK play a fairly active role. Is that going to mean, potentially, joint enforcement actions? Will it be easier for consumers to deal with problems with a business in New Zealand, or vice versa, with their own authorities? There are lots of opportunities within this. It is what the concrete things that stem from that actually amount to that will determine whether it really makes a difference.



The other thing to emphasise is that the important principle is established that online consumer protection should not be any less than the protections that you get through other forms of commerce as well. There is a strong emphasis on that, and I would hope that through the commitments to co-operate internationally, the UK and New Zealand can really try to tackle some of the big gaps in consumer protections in areas like online marketplaces, where we keep finding so many unsafe products and problems with fake reviews and scams. A real international effort is needed to tackle that.

Mark Menzies: Sue has actually covered the supplementary I was going to ask in her answer, so I am happy to leave it there. Thank you.

Q97 **Mike Wood:** Obviously, this agreement contains a chapter on good regulatory practice and regulatory co-operation. The UK Government's impact assessment suggests that this will lead to a reduction in red tape and bureaucracy for businesses across the UK. Dr Allen, how significant do you think the provisions in that chapter are around regulatory practice and co-operation?

Dr Allen: The principles and the way they are laid out in that particular chapter are very high level, abstract, with a lot of "may include" and "may happen". When you are talking about the procurement regulation per se, there is a lot of potential there, because obviously what the UK is going through in terms of transforming its public procurement, coming out of the EU and everything, means that there is a lot going on there. The agreement certainly covers the classic regulatory provisions that have to do with non-discrimination, use of electronic means, the conduct of procurement, rules of origin and offsets. So that is all in there.

There is quite a lot of interest—there is always lots of interest of course—in how to reduce red tape. New Zealand is actually in an interesting position. Comparatively, there is little red tape in New Zealand when it comes to public procurement. It is fascinating to come from the UK and from other locations and to see how that actually works, and it does work for the most part. It is not perfect by any stretch, but the way in which flexibility is provided in those regulatory provisions allows for an awful lot to happen that does not get bound up in red tape or in challenges to procurements and challenges by suppliers. There is a long evolution to get to that point, to keep that flexibility. If everything was nailed down here, it would be impossible to do business. So there is a very contextual, important element there.

Of course, the Māori economy is very important. There is a lot going on at the procurement rules or regulatory level to try to increase the Government contracts that Māori businesses get, and there is a lot of capacity building going on, which is really quite interesting. This is not the only place in the world where that is going on, but it is very particular.



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So there are all sorts of opportunities going forward as to how that can be shaped, maybe for the UK. We have our problems as well, but the UK has a great opportunity there.

Q98 Mike Wood: How would you expect those provisions to interact with regulatory provisions found in other chapters in the agreements, such as those around animal welfare and environmental protection?

Dr Allen: Yes, I was looking through those. I just do not see anything that is problematic at a detailed level. I could be wrong, but the playing field is open enough that the regulatory provisions are going to be able to bend and flex to take care of what the different countries want to do in those different areas across digital trade and all those sorts of things. There are many opportunities there.

Q99 Mike Wood: The Committee has received written evidence in relation to free trade agreements more broadly that contain such regulatory co-operation and better-regulation chapters. We have heard concerns from NGOs that they might slow down the introduction of important new regulation. From what you have seen of this agreement, do you think there is a risk that it could either slow down or otherwise constrain the UK's ability to regulate, where there might be important interests at stake?

Dr Allen: I do not think there is anything in this particular agreement that is going to be problematic as you go forward. There is a lot of shaping and sorting to do in terms of the UK procurement because you have just come through that enormously challenging period. As far as NGOs are concerned, if we think of them as small businesses—and I would have to look more carefully at some of the chapters in terms of some of the third sector, and voluntary and community organisations and that sort of thing—there is a lot more effort, recognition and interest in capability building to get SMEs involved, to make sure that there are not too many encumbrances and too many barriers, and to allow smaller and different types of organisations to be evolved. There has been an evolution on that and, provided we do not start shutting some of these doors, that should not be a problem. I suppose I might eat my words later but, as I see it right now, there is good movement in that direction. The devil is always in the detail, isn't it? It is going to be about how these kinds of agreements get set into national legislation, so on and so forth, so we will have to see.

Q100 Mick Whitley: Dr Allen, the procurement chapter of the FTA seems like a crystallisation of current market access. Should this be welcomed?

Dr Allen: Crystallisation of current market access? I do not think it is a problem. Welcomed? Yes, in terms of putting it into writing. The agreement goes some way to taking steps in some new directions, as well as crystallising some of those arrangements that we know and love in public procurement that make sure that we are watching out for corruption and doing non-discriminatory practice and those sorts of



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things. In terms of crystallisation? Yes, and it is yes-plus, I think. It is welcome, yes.

Q101 **Mark Garnier:** Dr Allen, can I carry on with the procurement thing? It seems that when you look at the three key areas which are the GPA, the global Government procurement agreement; the UK-New Zealand FTA; and then the domestic Government procurement levels within New Zealand, it seems that New Zealand's domestic procurement rules are applicable at a much lower threshold than the other two, which almost begs the question of why there is anything in the FTA agreement. What do you think UK suppliers stand to gain from this chapter on Government procurement?

Dr Allen: What do they stand to gain?

Mark Garnier: It sounds like a tricky question.

Chair: It might be that the answer is nothing.

Dr Allen: A little bit. I do not want to say nothing. The crystallisation point is important. It gives us a chance to look at our internal procurement rules and practices in the context of that very important partnership. New Zealand does some interesting things that are quite different from other places, and you see those access into who are mandated and who are encouraged and so on and so forth. The accesses are slightly different. Who knows what is going to happen, right? That may change. Certainly, New Zealand has been looking at what level the procurement rules apply. There are mandated agencies which apply, especially in this free trade agreement, and then there is "encouraged" and there is "should". There is a whole set of language around that that potentially has some interesting repercussions going forward. It sets the stage for even deeper trade, deeper co-operation, although maybe not right now. But as we have talked about, there is quite a lot of symbolic importance to this and the Māori economy aspects of it. For New Zealand, we cannot overestimate how important that is. If it does not go far enough—I take that point—but to build those in and see how we can work at the domestic level and outwards into the international level.

Mark Garnier: Ultimately it is domestic rules which, if they are the easiest rules to comply with, supersede anything that is in the agreement or the GPA.

Dr Allen: Well, you start there, yes.

Q102 **Chair:** Turning to Dr Mika, you led a study into the Māori interests in terms of this agreement. To what extent do the agreement's intellectual property provisions' protection of genetic resources and traditional knowledge reflect Māori interests?

Dr Mika: Kia ora, Mr Chair. One of the main concerns that Māori have, but also an aspiration, is that Māori cultural and intellectual property rights, and knowledge and genetic material associated with Taonga



species—in other words treasured genetic material—as well as those indigenous relationships with plant species and flora and fauna that Māori have, are protected. That is a primary concern. In the agreement at the moment, there are no new provisions for protecting Taonga species as such, so there is a concern amongst Māori that the Taonga species and Māori rights and interests in genetic material are not going to be adequately protected. That is a concern.

Q103 Chair: Thank you. Before we come to the end of the session, just in terms of generally understanding the trade agreement, if you are a Māori exporter, versus an exporter in Wellington—Joe Bloggs exporter—are there any advantages to being the Māori exporter in that situation from the trade agreement, or are the Māori aspects here not strictly to do with trade, but to do with the sort of the bolt-ons, if you like?

Dr Mika: Yes, I guess there are two aspects to that. One is the framework within which trade occurs: is that equitable and favourable to both the Māori exporter and the non-Māori exporter? Do they have a level playing field between the two of them? What we find in the research that we have done is that no, there is definitely not a level playing field in terms of the starting blocks for Māori and non-Māori enterprises. In terms of the socioeconomic situation between Māori and non-Māori, there is definitely work to be done there. There are also differences in terms of access to resources and opportunity between Māori and non-Māori enterprises, so there is also work to be done there.

The social procurement policy that was spoken about earlier, which has become progressive policy in Aotearoa, is definitely an example of ensuring that there is an equity of opportunity in terms of Māori enterprises accessing Government contracts and services to the same extent as a non-Māori firm. From that point of view, there is some work to be done.

On the other issue in terms of the overall framework, the argument that Māori are putting forward through the research is that, as treaty partners, as tangata whenua, they want to be at the negotiating table defining the terms of trade and having a say in that respect.

Q104 Chair: Were they at the negotiating table?

Dr Mika: They were alongside, sort of in the next room, but not in the room. They were consulted and asked for their advice throughout various stages, but—

Q105 Chair: Sorry to cut across you, but is there a tension, then, in New Zealand that the Māori rights were not fully accepted? That they were there as a partner, but a junior partner? I do not want to put words in your mouth. I am trying to aid my own understanding of this. You are saying that the New Zealand side should have had the Māori at the top table in the negotiations rather than in the next room. Am I understanding this correctly?



Dr Mika: Yes, that is right.

Q106 **Chair:** Okay, is the argument that, and is the uniqueness, perhaps, of this trade agreement—although the negotiations were not conducted perhaps as you fully wanted, and I am not arguing about that at all—that this trade agreement is looking at different socioeconomic groups within a society and trying to bring some sort of levelling about to that fundamental inequality between different socioeconomic groups? If my understanding is correct, is that a positive thing? Obviously, the fact that there is a difference in the beginning is a negative, but are the efforts of the trade agreement to do something about that a general positive, and should other countries look to replicate that?

Dr Mika: Yes, and yes. The expectation is that, through the trade agreement, there will be equity of opportunity for Māori enterprises to trade internationally and in particular with the United Kingdom. It should be a model for other groups to follow, because the question is, who does trade benefit? Who benefits from trade? Do Māori and indigenous groups benefit from trade to the same extent as others? Do they have the same access to opportunity as others? That is an issue that is being addressed here.

Chair: Thank you. That is fascinating; the last few answers in particular have helped my understanding. Time is running out, and we are approaching Prime Minister's questions at Westminster. Prime Minister's questions today is going to be particularly spicy, we reckon, with the Sue Gray report, so you will forgive Members who have probably gone to get decent seats in the Chamber, but when things are happening and a gladiatorial event is on the way, obviously ringside seats are at a premium.

Thank you very much for your time this morning, panel—or this evening, in your case, for most of you. We are very grateful for your time. Sir Lockwood Smith, Sue Davies, Dr Mika and Dr Allen—thank you all.