

Priorities for the Economy, Trade and Rural Affairs Committee – Public Health Wales consultation response with regard to trade

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Summary:

- **Trade and Free Trade Agreements (FTAs) can affect health and well-being via a number of health determinant pathways**, from the food we eat to our healthcare services, job market and ability to invest in public services. **We would like to see the Economy, Trade and Rural Affairs Committee consider the public health implications of trade in their work.**
- **The UK Government are already negotiating trade deals that may have consequences for public health and inequalities in Wales.** Changes to employment, farming, fishing, food and the ability to meet climate change and sustainability ambitions are likely to be particularly relevant. The ability of the Welsh Government to introduce effective and tighter public health regulations may also be affected.
- Public Health Wales will be publishing a number of reports that explore the connection between public health and trade in more detail. **Public Health Wales would be happy to share evidence from our analysis and research with the Committee.**

1. How trade and Free Trade Agreements (FTAs) affect public health

The link between trade and health has a long history. The COVID-19 pandemic demonstrates how infectious diseases and health emergencies can affect trade – for example, increasing the import and export of certain goods (such as face masks and medical supplies) while decreasing others¹. But infectious diseases are not the only health issue connected to trade. The list below, adapted from a World Health Organisation report, summarises the main links².

- A country's economic well-being is closely tied to the well-being of its population. If trade and the conclusion of FTAs allows the **national economy** to grow or become more stable this has the potential to benefit public health, with the same being true of the reverse. For example, it can **allow governments to invest more in public services, such as health and education.**
- Trade and FTAs can also **shape the job market**, both positively and negatively, through tariffs and other technical barriers to trade. Being in good quality work has many positive benefits for health, while unemployment negatively affects the mental and physical health and wider well-being of individuals and their households, and at a larger scale whole communities³.
- **National governance** that affects the way things are manufactured or sold, such as **workers' rights, environmental regulations and standards, and advertising rules**, are also relevant to health. For example, curbs on the advertising of junk food is one component of tackling obesity⁴, while environmental regulations to reduce air pollution can help reduce the incidence of non-communicable diseases such as stroke and lung cancer^{5,6}.
- Examples of **health risks** from trade would include **exposure to infectious diseases** but also the ability of trade agreements to make **unhealthy products cheaper, more available or more widely marketed**, such as high-fat or high-sugar foods.
- Trade agreements can also affect **health services**, including the **cost, supply and access to medicines** or the **types of services provided and by whom.**
- All of these factors play into **household investment in health**, or **people's ability to adopt healthy behaviours**. A good example of how multiple factors can come together is the ability to eat healthily. Trade can change what food is available and at what cost; people's incomes and/or employment status and therefore how much they have to spend on food; and the rules on advertising some types of food, which that can affect people's choices.



1.1 Trade and health inequalities

The **effect of trade on health and well-being is likely to be felt differently across a country's population**. For example, trade may create jobs in some sectors but lead to unemployment in others⁷. Changes in the price of goods will have a greater impact on poorer families. Where trade deals have implications for medicines and health services, it will be the people who need these most, such as those with long-term conditions, that will be most affected. **Some people could experience cumulative benefits or disadvantages to their health and well-being**, thereby worsening existing health inequality in Wales.

1.2 Making trade 'healthier'

Despite the numerous links between trade and health, FTAs are rarely considered as a means of improving or protecting public health. A study by the Lancet journal concluded that **trade and health currently operate in 'separate policy spheres'**, with significant tensions between protecting and improving health and the aim of generating wealth and greater global connectedness through trade⁸. It called for **a stronger voice for public health in trade negotiations and for better evidence showing how health can be affected by trade**⁹.

The UK Faculty of Public Health (FPH) have published a blueprint for 'healthy' trade policy, setting out how the UK Government should take a public health approach to future trade deals and negotiations¹⁰. Among other things, it identifies the need for **public health experts to be involved in trade negotiations**, for trade deals to **promote health equity and sustainability** and for trade **negotiations to be transparent with democratic oversight**.

2. The implications of new trade agreements and policy for public health in Wales

- The EU is required to consider public health issues in its trade negotiations, and its processes enable public health evidence to be considered before trade objectives are agreed. The EU Parliament must also give their consent before an agreement is signed¹¹. Democratic oversight is recommended by the FPH for 'healthy' trade policy. **So far the UK has not adopted these or other approaches that would enable its trade policy to pursue better public health outcomes.**
- **New trade deals negotiated by the UK Government may affect public health in Wales.** Impacts on employment, farming, fishing, food and climate change could be particularly relevant. More detail can be found in Public Health Wales's forthcoming reports (see section 3). Some examples of potential impacts include:
 - The proposed agreements with Australia and India will allow more people from these countries to live and work in Wales^{12,13}. This may **affect the job market** by increasing competition for certain roles, or could mean that otherwise vacant roles are filled.
 - Once the agreement is signed, significantly more lamb can be imported from Australia into the UK than now, with all remaining restrictions lifted within 15 years. **Welsh farmers fear they will not be able to compete and could go out of business** if deals with other big exporters of lamb are signed¹⁴. Financial pressures can negatively impact on the health and well-being of farmers and communities¹⁵.
 - Welsh Government's 'Healthy Weight: Healthy Wales' strategy aims to reduce obesity in Wales. It includes plans to **make it easier to buy healthy food as well as bring in new rules on advertising and food formulation – all of which could be affected by the terms of trade agreements**¹⁶.
 - If new trade agreements mean that more of the goods consumed in Wales come from further afield, Wales will have a **greater carbon footprint**¹⁷. It would also **worsen air pollution**, which is a major contributor to diseases such as chronic respiratory disease and stroke¹⁸.
- The **investor dispute settlement procedures in some trade agreements could deter Welsh Government from passing new public health legislation**. Investors could launch a legal challenge if they felt that a policy e.g. decarbonisation targets, negatively impacted on their investment. Such legal challenges are very expensive to defend. The **UK Internal Market Act 2020 also makes it harder for Welsh legislation to regulate all goods and services available in Wales, which could undermine the effectiveness of public health policy in Wales.**

3. Public Health Wales's work in trade and health

PHW worked with trade policy experts to provide a series of masterclasses on trade and health in April and May 2021. Resources from these events are available on request. We will also publish a number of reports exploring the relationship between trade and public health in Autumn 2021.

- Brexit and Poverty in Wales: A Public Health Perspective
- Rising to the Triple Challenge of Brexit, COVID-19 and Climate Change for health, well-being and equity in Wales
- Briefing note: What could post-Brexit free trade agreements mean for public health in Wales?



4. References

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- ¹¹ European Parliament (2016). Briefing: A Guide to EU Procedures for the Conclusion of International Trade Agreements. Available at: https://www.europarl.europa.eu/RegData/etudes/BRIE/2016/593489/EPRS_BRI%282016%29593489_EN.pdf
- ¹² UK Government (2021) Prime Minister Announces £1 Billion of New UK-India Trade. Available at: <https://www.gov.uk/government/news/prime-minister-announces-1-billion-of-new-uk-india-trade>
- ¹³ UK Government (2021). UK agrees historic trade deal with Australia. [Online]. Available from: <https://www.gov.uk/government/news/uk-agrees-historic-trade-deal-with-australia>
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