

-----Original Message-----

From: David & Clare shearman [SMTP:mountlofty@ozemail.com.au]
Sent: Thursday, September 14, 2000 9:54 PM
To: jsct@aph.gov.au
Subject: Fw: WTO submission

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From: David & Clare shearman <mountlofty@ozemail.com.au>
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To: jsct@aph.gov.au <<mailto:jsct@aph.gov.au>> <jsct@aph.gov.au>
<<mailto:jsct@aph.gov.au>>
Date: Thursday, 14 September 2000 8:23
Subject: WTO submission

The Secretary,

Joint Standing Committee on Treaties

Parliament House

ACT 2600

14.9 00

Dear Secretary

Australia's Relationship with the World Trade Organization.

I wish to comment on the relationship between the WTO agreements and environmental standards and the extent to which environmental considerations influence the WTO priorities and decision making

My interest lies in environmental health and I assess scientific material for the International Panel of Climate Change in relation to the health aspects of global warming. Health and the environment are indivisible. Having reviewed the scientific literature available on global warming, like many other scientists, I am deeply disturbed by this threat to humanity. Significant warming is certain, only the magnitude is debatable. The present Kyoto agreement will barely scratch the surface of the problem of retrieval of this situation. Recently I read that the Secretary of the Treasury in Australia estimated the need for 64 billion dollars to repair salinity in Australia. By contrast the cost of global warming to this country in terms of health, agricultural changes, storm damage, inundation and loss of forests and biodiversity is likely to run into hundreds or thousands of billions of dollars. We need to recognize that prevention and mitigation of climate change will have to pervade all aspects of our civilisation including the so-called economic imperatives. Everything is linked to everything else in this world and we cannot compartmentalise economic decisions.

Many WTO decisions have failed to take health and environmental needs into account. This failure has resulted in the erosion of public confidence in the WTO. Indeed, often environmental concerns have been labeled as a means of evading free-trade agreements. The fundamental problem is that competition is fostered by the world's economic system and by free trade in particular. Competition has often gained advantage by accruing environmental debt. Financial accounting should register all costs, and should therefore recognise that fossil fuel costs are greatly subsidized by the environmental debt that they cause. For example if we could start paying this debt now instead of leaving it to our descendants, some estimates indicate that the price of petrol should be around five dollars per liter. Clearly a sudden increase to five dollars is not acceptable for it would cause worldwide economic depression. However in future it will be necessary for such factors to be taken into account when the costs and benefits of free trade in items and commodities are calculated. To put it simply, the true cost of bringing cheap bananas into Australia will have to include the transport costs transferred to environmental debt. Ultimately therefore, WTO will have to take into account proper accounting that would include environmental and indeed social costs when making its decision. It will have to develop a truly level playing field

The problem is that WTO decisions have been divorced from other important fundamental needs of humanity. A decision to build a factory or other commercial enterprise requires plans that include the suitability of its foundations and its potential effects on air and water through pollution. The opinion of an EPA and other experts will be necessary as a prerequisite. When the information is satisfactory, planning permission will be given. In future it will become necessary for independent environmental and health committees to assess the impact of all proposals before they are considered by the WTO.

I hope the Joint Standing Committee on Treaties will make recommendations to WTO concerning reform of its structure with a view to establishing appropriate environmental consideration of all their proposed decisions. They should establish screening committees that include representation of WHO, IPCC and international non-government organisations with environmental and health expertise. This will restore confidence but more importantly it will protect our future from economically irrational decisions made in the name of economic rationalism.

I would be happy to expand on any of these issues should the committee so wish

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