

AMWU supplementary submission
Australia's Relationship with the WTO
Joint Parliamentary Standing Committee on Treaties

AUSTRALIAN MANUFACTURING WORKERS UNION

**AUSTRALIA'S RELATIONSHIP WITH THE WORLD TRADE
ORGANISATION**

**SUPPLEMENTARY SUBMISSION TO THE JOINT
PARLIAMENTARY STANDING COMMITTEE ON TREATIES**

FEBRUARY 2001

Preamble - Labour leaders @ Davos 2001

Since the AMWU appeared at the public hearing on 29 January 2001 labour leaders from around the world met at the World Economic Forum held in Davos. From this meeting union leaders identified eight global divides that remain large - or are getting wider under the pressures of globalisation.

The labour leaders suggest a range of solutions to bridge the divides - many of which would involve governments and corporations carrying out commitments already entered into like the Rio and Millennium Summit Declarations and core labour standards incorporated in International Labour Organisation conventions.

The eight divides

Wealth - more than one billion people live on less than a dollar a day. Globalisation has increased wealth divisions with countries and between countries, many of the poorest countries do not benefit from growing world trade, women are more likely to be unemployed, part time or low paid.

Power - many multi-nationals have more power than nation states, out of control financial markets create regional and global instabilities that harm the poorest most.

Rights - democracy still not universal, workers rights are often abused or curbed.

Health - infectious diseases still the world's biggest killer, life expectancy has fallen in some countries, medical research concentrates on rich markets.

Education - illiteracy still widespread, spending hit by debt re-payments and restructuring programmes.

Environment - global warming, depletion of worlds resources, developed world consumes most of the resources.

Technology - a digital divide, a pharmaceutical divide, a patent divide.

Ownership of the global economy - still the prerogative of some governments, financial institutions largely unchanged since 1945 - and multi national corporations.

Solutions

Wealth - global commitment to halve number of desperately poor by 2015, dump the debt of poorest countries, fairer access to world trade, fairer income distribution, minimum wage, equality of opportunity.

Power - end irresponsibility of some multi-nationals, global financial authority, global merger authority.

Rights - Universal Declaration of Human Rights, ILO core labour standards for trade union rights and collective bargaining and against discrimination.

Health - dump the debt, increased aid to meet 0.7% of GDP target, Millennium Declaration to provide universal basic health.

Education - Dump the debt, increased aid, Millennium Declaration for primary schooling for all by 2015.

Environment - Rio and Kyoto commitments, sustainable environment for all.

Technology - Dump the debt, government investment within countries and international investment effort, greater assistance for developing countries to meet UN targets.

Ownership of the global economy - More inclusive decision-making for the global economy, people and their organisations to be included, to have a voice, more dialogue between global unions and global corporations.

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Following the appearance of Doug Cameron on behalf of the AMWU at the public hearing into this inquiry in Sydney on Monday 29 January 2001 is the requested AMWU supplementary submission. We thank you for the opportunity to add and extend our involvement in this inquiry by submitting this supplementary submission.

After Studying the draft transcript we note that you have sought from other witnesses detailed recommendations in legislative form. The AMWU notes that the drafting of legislation is an extremely specialised skill and the parliament has access to a department to provide the appropriate wording on legislative changes. On this basis we do not presume to be experts in this area and we would be happy to work with the appropriate public servants to draft our recommendations in a form which reflects the intent of the following recommendations.

1. Information and consultation on trade policy should be held in accessible forms. They should be well publicised in advance, free of any costs, held at convenient times and locations and have time for genuine input from the community. Government must accept and consider a wide range of advice and opinion on trade and related policy. Consultation and public debate on policy positions should take place before negotiations commence. Government should accept and consider a broader range of advice and opinion on trade and related policy than it has up to this point.
2. There should be greater parliamentary and public scrutiny before agreements are signed.
3. There needs to be representation of non-government organisations on both the Trade Advisory Policy Council and on WTO delegations.
4. The government should support a position where all WTO members are required to ratify ILO core conventions listed below with dates of Australia's ratification;
 - 29 - Forced labour, 1930 (ratified - 2/1/1932)
 - 105 - Abolition of forced labour, 1957 (ratified - 7/6/1960)
 - 87 - Freedom of association and protection of the right to collectively organise, 1948 (ratified - 28/2/1973)
 - 98 - The right to organised and collectively bargain, 1949 (ratified - 28/2/1973)
 - 100 - Equal remuneration convention, 1951 (ratified - 10/12/1974)
 - 111 - discrimination (employment and occupation) convention, 1958 (ratified - 15/6/1973)
 - 138 - Minimum age convention, 1973 (not ratified)
 - 182 - Worst forms of child labour convention, 1999 (not ratified)

The government must also give the necessary support to the ILO in the follow up to the ILO Declaration of Fundamental Principles and Rights at Work.

5. WTO agreements and processes should be changed and interpreted to give much clearer recognition to UN international agreements on human rights, labour standards and the environment. In pursuing these changes, the government should seek such widening of exemptions under WTO rules and procedures as would allow intervention for a wider range of purposes than are currently permissible, namely, sanctions for persistent labour rights violations and disincentives to production that entails breaches of environmental standards. Exemptions should be enforceable through an independent WTO panel with advice, technical assistance and monitoring being provided by the ILO. The system should

include technical and enforcement assistance to developing countries that require it and a primary goal of the system should be to assist countries develop supportive domestic public institutions. WTO agreements should clearly recognise the right to have national regulation in these areas.

6. There should be a commencement of an examination on how to incorporate the issue of labour standards and trade into WTO mechanisms and processes. This examination should envisage enhanced ILO-WTO collaboration on an equal basis in areas such as trade policy reviews and dispute settlement procedures and oversee the incorporation in the WTOs existing mechanism of core labour standards. It should examine the role which could be played by ILO technical assistance in helping countries to achieve implementation of all core labour standards.

7. A Trade and Labour Standards Monitoring Group should be established within the Department of Foreign Affairs and Trade which monitors violations of labour standards among Australia's trading partners. The monitoring group should investigate complaints from Australian businesses and other interested parties in relations to claims of social dumping. The monitoring group should report all cases of social dumping to the government. It should also provide advice to the government in relation to settlement of social dumping cases with the countries concerned.

8. Australia must upgrade its representation to the ILO to the level of representation that existed prior to 1996.

9. The AMWU recommends that prior to any multilateral or bilateral agreement being negotiated and/or finalised that a National Interest Analysis (NIA) consistent with the obligations of this committee under its role as a 'process of parliamentary review'. The NIA must include but not be limited to ensuring;

- Access to social and welfare services for citizens adversely impacted by trade agreements and/or globalisation;
- Access to appropriate health services;
- Access to appropriate education;
- NIA must take into specific account the need to widen the economic base of Australia. Remove the distortion and structural imbalance resulting from our over-reliance on mining and agriculture;
- In order to assist that process of the NIA, DFAT should fund community organisations to conduct social audits in local regions.

10. In order to ensure that trade is being carried out in a fair manner, the Commonwealth government should adopt all ILO conventions. Firstly, the government must immediately sign and ratify two of the ILO core conventions number 138 and 182 which has as yet not been ratified. The AMWU notes that no new conventions have been ratified since 1994. Australia has been a member of the ILO since 1919 and in that time has ratified 57 conventions, with 50 in force.

Australia is a signatory to three of the four priority conventions;

- 81 - Labour Inspection Convention, 1947 (ratified 24/6/1975)
- 122 - Employment Policy Convention, 1964 (ratified 12/11/1969)
- 144 - Tripartite Consultation (International Labour Standards) Convention (ratified 11/6/1979)
- Australia has not ratified 129 - Labour inspection (Agriculture) Convention, 1969

The AMWU also notes that the ILO committee of experts have found that the Workplace Relations Act 1996 violates core conventions 87 and 98. Legislation must be enacted to rectify this situation immediately.

The ICFTU will be launching a global campaign on 1 May 2001 to post workers rights at the workplace. The principles and rights include the rights of workers to reject child labour, refuse forced labour, to work free from discrimination and to organise and bargain collectively. These rights are encapsulated in the core labour standards listed at point 4. The AMWU actively supports this campaign.

11. Australia should adopt legislation in support of WTO-ILO collaboration. Establish a committee to urge government to make a statement of principle on the linkage between Human Rights, Core Labour Standards, the environment and trade as outlined by the International Confederation of Free Trade Unions (ICFTU) in its Statement to the WTO (20/7/2000);

7. The WTO General Council needs to agree on some form of working or study group or similar body, with the participation of the ILO, that would constitute the first effective follow-up to the commitment on core labour standards enshrined in the Singapore declaration of the first WTO Ministerial Conference in December 1996. That body should be asked to undertake analysis and to make recommendations about WTO statutes and procedures in order to ensure consistency with respect for core labour standards. It should also examine the social impact of trade more generally, including the impact of trade policies on women. All industrialised country governments should actively demonstrate their commitment to improve core labour standards through enhanced trade incentives and increased development assistance in this area.

The terms of reference for an international committee;

- ◆ It would be part of the WTOs follow up to the Singapore Declaration commitment on labour standards and would therefore report back to the WTO General Council with proposed recommendations concerning WTO procedures, mechanisms and regulations;
- ◆ It should be a standing or permanent body working on an ongoing basis;
- ◆ It should provide for the participation of the ILO, which must be given formal consultative status at the WTO;
- ◆ It must have a defined work program including, inter alia:
 1. a mandate to undertake analysis and to propose procedures and instruments for the treatment of core labour standards in the international trading system;
 2. the examination of how to associate trade with respect for core labour standards, including positive incentives and assistance;
 3. review of the mechanisms of the WTO (trade policy reviews, dispute settlements etc.) in order to promote openness and transparency and ensure consistency of trade negotiations and agreements with respect for core labour standards within the work of the WTO.¹

12. Adopt a test that evaluates Australia's involvement in bilateral and multilateral agreements. This test is to ensure that Australia's economic capacity is improved and that we can maintain economic independence of our various industries.

¹ICFTU, *International Labour Standards and Trade*, ICFTU 17th World Congress 3-7 April 2000