

**SENATE FOREIGN AFFAIRS, DEFENCE AND TRADE
REFERENCES COMMITTEE**

**INQUIRY INTO GENERAL AGREEMENT ON TRADE IN
SERVICES AND AUSTRALIA/US FREE TRADE AGREEMENT**

SUBMISSION

Submission No: 64

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The Secretary
Senate Foreign Affairs, Defence & Trade References Committee
Parliament House
Canberra. ACT. 2600.



The following comments are forwarded as a submission in response to the Senate Inquiry into the General Agreement on Trade in Services and the Australia-United States Free Trade Agreement.

I wish to record my total and unequivocal opposition to any further participation by Australia in the **General Agreement on Trade in Services (GATS)**. This treaty, which has been the subject of negotiation in the World Trade Organisation (WTO) by successive government trade ministers since 1994, is nothing less than a diabolical attempt by transnational corporations to remove restrictions and facilitate their entry into the services industry in Australia. Any gains perceived by the Australian Government in the form of offshore services provision will be minimal compared to the losses in the Australian services industry to foreign ownership.

United States and European Union interests are pushing for more services to be opened up to their participation, and any claim by the Australian government that they will only list certain services and retain others is indicative of the unrealistic and naive approach with which they are entering the GATS negotiations. The fact is there is no point being in the GATS if concessions are not going to be made at each level of ongoing negotiation and Australian representatives at the WTO will certainly not be able to resist the pressure being brought to bear to release more and more services.

It is significant that the Australian government has refused to release details of what they have listed or intend to list. It is only due to the fact that a secret list of requests from the European Commission somehow became publicly available that vigilant community interest groups and individuals have become aware of the serious and exploitative intent of the GATS towards the Australian services industry. In addition to the services already subject to negotiation, i.e. accountancy, architecture, business, construction and related engineering, distribution, education, engineering, environmental, financial, legal, maritime transport, postal, telecommunication services, it is likely that water services, health services (including community and aged care) plus a range of services provided by local government will be targeted by GATS and this should be regarded with great concern. The possible importation of their own workers by foreign service providers will be to the great disadvantage of Australian workers, and the repatriation of profits to overseas corporations who have gained ownership of Australian services plus their exemption from paying tax will result in a greatly increased financial burden for the local economy in Australia.

I seriously question the right of successive government trade ministers and their representatives to continue to negotiate on international agreements such as GATS which has the potential to be so detrimental to the Australian community in the provision of essential services. This has implications for our national and financial sovereignty as citizens and yet we were never consulted about the GATS. It was brought to public attention by vigilant community members, and certainly not by those who are well paid to act in the best interests of Australia but who have not done so in this instance.

With regard to the **Australia-United States Free Trade Agreement**, time and again it has been clearly demonstrated that Australia has very little bargaining power with large and powerful nations such as the United States because they invariably favour and subsidise their own agricultural producers and industries while at the same time exacting concessions from Australia which impact on our farmers and various industries and give little or nothing in return. In a vain effort to alter this situation, Australian Minister for Trade Mr. Mark Vaile recently stated publicly that "Trade in services, genetically modified food labelling, and quarantine" were on the negotiating table. This is totally unacceptable from my point of view and I firmly believe that a majority of Australians would agree with me if a referendum vote was taken.

Large and active groups and also individuals in the community have lobbied the government on the subject of genetically modified food concerns and quarantine as well as the current issue of trade in services. Trade Minister Mark Vaile has made a very serious mistake in offering those concessions as part of a Free Trade Agreement with the United States. As a taxpaying Australian citizen I seriously question his ability to represent Australia on matters of trade.

Australia has to come to grips with the fact that we are a small nation and competition of the kind sought in so called free trade deals will never achieve much. We should be developing our own vital local industries, supporting our agricultural producers, reducing the level of foreign ownership, and protecting Australia from unfair competition from subsidised imports - just as the United States, China, Japan and Western Europe are doing.

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