



Speech by

Mrs D. PRATT

MEMBER FOR NANANGO

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GENERAL AGREEMENT ON TRADE IN SERVICES

Mrs PRATT (Nanango—Ind) (11.02 p.m.): In March we could be living in a world in which transnational corporations could be running Australia's postal services, controlling Telstra and Optus, and owning essential services such as gas, water and electricity—a world in which our only safeguard, the Foreign Investment Review Board, would be scrapped and all restrictions on foreign investment abolished. If members think that that sounds like a conspiracy theory or a horror movie, then they should think again. A confidential leaked European Union document spells out what the EU wants Australia to agree to. Governments who sign up to GATS will find themselves locked into privatising basic services and with their powers to regulate corporations severely curtailed. Negotiations and detail on the treaty have been kept under wraps. If its supporters believe that this is such a great agreement, surely it will survive the scrutiny of open public discussion.

The GATS agreement states that there should be no limits on foreign investment in Telstra, public or private postal services, and that all water services should be open to commercial competition. It effectively means the privatisation of those services. The fact that Australia Post is still publicly owned is one of the reasons why it still has offices in most country towns. If it faced full commercial competition in all those areas that currently are protected, then we would not have the same level of service; it would go the same way as the banks and other services that have left country towns.

Every time we pick up the phone, go shopping, do our banking, use the Internet or watch a movie we are spinning the wheels of trade and services. Services now make up nearly 80 per cent of the economy in Australia, and that is what is up for grabs. When the leaked documents were published, the European Union put out a press release calling the leak 'irresponsible' and 'regrettable'. It did not deny that the documents were genuine.

When governments give away the power to regulate, that sort of policy has far-reaching implications and should be determined through democratic debate. It should not be determined through signing trade agreements. The final decision maker is Trade Minister Mark Vaile, who stated on Radio National—

I'm not going to rule anything in or out at this stage. Everything is on the table.

GATS is only one part of a much bigger picture. It is not just trade within the service sector; the question is how services will be treated relative to agriculture and how services in agriculture will be treated relative to manufacturing or mining. In other words, we are prepared to do a deal: we will open up our service markets if they are prepared to make some concessions on agriculture.

The danger is that because the process is not visible or accountable, anything can be traded off. This is a threat to Australian sovereignty. Australia's demands and our responses to other countries' demands must be made public. By March next year, the Australian government will have to finalise its responses under GATS. In other words, we will have to decide what we give away and what we keep.

GATS is a duplication of the Multilateral Agreement on Investment in many important respects. The World Trade Organisation has stressed that public services such as education, health, water and electricity are outside the reach of GATS. But many public services operate in a commercial and competitive market, and the boundaries between public and private are growing increasingly blurred.

Trade Minister Mark Vaile says that there will be plenty of opportunity for input from the public. It is up to all of us in Queensland and the Queensland government to ensure that we have plenty of opportunity to have that input.