



4th MEETING OF THE UNI WORLD EXECUTIVE BOARD

Nyon, 16-17 October 2002

Statement on the WTO, GATS and the Current Negotiations on Trade in Services

Based on the resolutions of its Berlin Congress, UNI is committed to working for a social dimension to globalisation, including more democratic governance of the World Trade Organisation (WTO).

UNI supports the integration of developing countries into the world economy through fair trade, and a substantial increase in development aid for programmes aimed at the eradication of poverty and the realisation of human rights.

UNI advocates the primacy of human rights in the management of national economies and in international economic and trade relations.

UNI regrets that the WTO's General Agreement on Trade in Services (GATS), due to its contents and the force it derives from being linked to the WTO's sanctions-based dispute settlement procedure, establishes, in practice, liberalisation as the primary objective of the world economic system.

UNI deplores the economic and social disruption that has been caused by ill-advised liberalisation policies, and the unprecedented scale of corporate fraud and mismanagement that has been associated with liberalisation.

UNI upholds the principle that the people of each nation must be able freely and democratically to decide any measures for the effective regulation of services, in the light of internationally recognised civil, political, economic, social, environmental and cultural rights.

UNI believes that the widespread fears aroused by trade liberalisation in services, especially in respect of domestic regulation and the operation of services of general interest¹, must be taken seriously and addressed by governments.

¹ Services of general interest include socio-economic services such as transport, energy and communications; social services such as health, education and social security; environmental services such as water, sanitation and housing; and socio-cultural services such as media, entertainment and arts.

UNI supports proposals to make the WTO system more democratic by establishing a parliamentary assembly at the WTO as well as an economic and social committee composed of trade unions and other civil society groups.

UNI stands by the ILO principles that "labour is not a commodity", and that migration for employment must provide adequate guarantees for all concerned.

UNI regrets that the WTO's 4th Ministerial Conference (Doha, November 2001) and the subsequent WTO negotiations have made little progress in promoting economic development and none at all in core labour standards and democratic reform of the WTO.

UNI regrets that, despite the struggle of US trade unions, the US Congress has decided to grant President Bush "fast-track" trade negotiating authority, without adequate guarantees for workers in the USA and abroad.

UNI is concerned about WTO activities to "mainstream trade" into the development plans of developing countries and the World Bank.

UNI appreciates the information that is provided to trade unions by the WTO secretariat.

UNI notes that the WTO's 5th Ministerial Conference will be held in Cancun, Mexico, 10-14 September 2003, and that the Global Unions are likely to stage another Day of Action in that connection. UNI pledges its active support for such a Global Unions' Day of Action.

World Trade Organisation (WTO)

Governments must ensure:

- a fair sharing of the benefits of trade and the avoidance, or mitigation to the maximum extent practicable, of any adverse effects for particular workers and communities;
- an effective link between trade and the observance of trade union rights and other ILO core labour standards, including the integration of core labour standards into the WTO system of rules and agreements;
- structures for meaningful sectoral and inter-sectoral consultation of trade unions in trade negotiations and policy-making at the national (e.g., advisory bodies) and regional (e.g., EU) levels, as well as within the WTO system;
- effective consultation and co-operation by the WTO with other international organisations, in particular the ILO, the World Health Organisation (WHO), the International Telecommunication Union (ITU) and the Universal Postal Union (UPU);
- that the WTO respects the jurisdiction and responsibilities of other UN agencies, including those of the ILO for migrant workers;
- a process of assessment by the WTO and individual governments - with the participation of trade unions and civil society - of the impact of existing or proposed trade liberalisation on employment, the observance of core labour standards and the provision of services, in particular public services and other services of general interest;

- that, given the closed and unsocial nature of the present structure of the WTO, no new regulatory issues – in particular cross-border investment, competition policy or government procurement – are introduced into WTO negotiations.

General Agreement on Trade in Services (GATS)

Governments must guarantee that GATS and GATS-related negotiations and measures do not:

- undermine terms and conditions of employment or social security as determined by international labour standards, domestic legislation, collective agreements, regulations or practice;
- jeopardise security of employment and income;
- foster migration for employment under inadequately protected and discriminatory conditions for migrant workers;
- circumvent democratic processes and consultations within countries for the formulation, revision or abrogation of legislation and regulations concerning the provision of services. In particular, the GATS “necessity test” must be fundamentally revised or removed;
- adversely affect the accessibility or quality of services. Universal and equal access to quality public services and other services of general interest must be achieved and preserved;
- undermine measures to protect the cultural diversity and cultural identity of WTO member countries;
- put undue pressure on governments, for example those of developing countries, to adopt market-opening GATS commitments. In particular, governments are urged not to press other governments to make market-opening commitments in respect of public services or other services of general interest;
- make liberalisation measures virtually irreversible. The GATS rules for the modification or withdrawal of market-opening commitments should be made more flexible, especially for lower-income countries;
- undermine the capacity of governments to introduce emergency measures to safeguard domestic suppliers against an unexpected surge in services supplied by foreigners.

UNI Affiliates and UNI

UNI affiliates will, in appropriate co-operation with their national trade union centres, other unions and civil society groups:

- urge their governments to accept and follow the above UNI principles and policies in their trade policies and measures, especially in the current WTO negotiations;
- ensure that they are being properly consulted by their governments in respect of trade policies and measures, including the current WTO negotiations on services;
- demand, in particular, that they receive full and early consultation on any offers that their governments may envisage with a view to opening national services to foreign suppliers, including a realistic assessment of the expected impact on jobs and conditions in the services concerned. In the current WTO negotiations market-opening offers are supposed to be made by 31 March 2003;

inform UNI and, on request, individual UNI affiliates about trade-related developments in their countries;

- seek the inclusion of union representatives in national delegations to the 5th WTO Ministerial Conference, to be held in Cancun, Mexico, 10-14 September 2003;
- participate in a possible 2nd Global Unions' Day of Action, in 2003;
- oppose, if appropriate in a co-ordinated campaign of UNI affiliates, the ratification of the trade agreements that may be concluded in the current WTO negotiations, if these are contrary to their members' interests.

UNI will:

- press for WTO rules and structures that are consistent with the above UNI principles and policies, in co-operation with the ICFTU, other global unions and friendly NGOs;
- support affiliates who may face difficulties in securing proper consultation with their governments;
- keep affiliates informed, notably through circulars, the WTO-GATS-TRADE page on the UNI web site and UNI meetings (including WTO presentations);
- provide a forum, especially in UNI Sectoral and Regional Committees, for affiliates to discuss WTO, GATS and other trade issues and consider the adoption of statements or guidelines on issues in the current WTO negotiations and their results;
- participate in a second Global Unions' Day of Action, in 2003, and encourage and assist participation by UNI affiliates;
- co-ordinate a possible campaign to oppose the ratification of trade agreements that may be concluded in the current WTO negotiations, if these are considered unacceptable by affiliates.