

The Editor  
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Trade Minister Mark Vaile claims (AFR 17/3/03) that the government has no intention of reducing Australian governments' right to regulate services in the WTO Services negotiations. If this is the case, why did his government support a stricter "necessity test" for the regulation of services under WTO complaints rules? This test would mean that another government could question the "necessity" of say, the NSW water regulation regime, which aims to ensure affordable access to safe water. The WTO complaints panel gives primacy to commercial issues over social and environmental considerations, which could result in changes to our regulation.

The Minister also claims that there will be no compromise on the capacity to fund and maintain public services. If this is the case, why has the Australian government refused to support the clear exclusion of all public services from negotiations? The EU documents show that it is making requests to Australia and to developing countries which would mean commercialisation and privatisation of both public water services and public postal services.

As for Minister Vaile's claim that there will be not trade-offs with agriculture, such trade-offs are standard practice in trade negotiations. EU Trade Commissioner Pascal Lamy was quoted in the AFR on 17/7/02 as saying, "the EU wanted Australia to lift restrictions on foreign ownership of Telstra and the sensitive water distribution industry in return for any concessions from Europe on barriers to agricultural trade."

These negotiations are taking place behind closed doors. The government only published a summary of the requests in January and has not indicated what its responses will be to particular requests, which are due on March 31. Without further information, we will not know the outcome until the negotiations are completed. We are requesting that the government publish the requests and its proposed responses in full so that there can be a public debate about the impacts on government regulation, funding and provision of essential public services. These issues should be decided through public debate and parliamentary process, not negotiated in trade agreements.

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