



Opinions vary on world trade

Globalisation, fair trade, transnational corporations, global governance and civil society – these buzzwords have gained high public exposure over the last 12 months as many different groups and individuals across the globe have protested at meetings of the World Trade Organisation (Seattle 1999), World Economic Forum (Melbourne 2000), the International Monetary Fund/World Bank (Washington 2000) and similar events.

In the light of increasing public awareness and debate about globalisation and associated trade issues, the Joint Standing Committee on Treaties is conducting an inquiry into Australia's relationship with the World Trade Organisation.

As it is a set of rules governing trade between nations, the World Trade Organisation (WTO) has far more 'teeth' than its predecessor, the General Agreement on Tariffs and Trade (GATT). The WTO operates on consensus and its dispute settlement findings are binding on member governments. This is illustrated by the fact that in the six years of WTO operation there have been four times as many dispute settlements than in the preceding 45-year GATT period.

As Australia is a party to the World Trade Organisation, the Treaties Committee inquiry is directly relevant to our trading relations with the rest of the world. The WTO's membership comprises 90 per cent of world trade. While some notable exceptions to WTO membership include China, the Russian Federation and Vietnam, these nations are all important trading partners with Australia and are in the process of applying to join the WTO.

Issues being looked at by the Treaties Committee inquiry include:

- community involvement in developing Australia's negotiating position for WTO matters;
- Australia's engagement with the WTO dispute settlement process;
- transparency and accountability of WTO operations;
- how the WTO fits in with regional and multilateral agreements; and
- how social, cultural and environmental considerations influence WTO priorities.

The Treaties Committee is working on the basic premise that membership of the World Trade Organisation is of benefit to Australia.

The community's interest in Australia's relationship with the WTO is reflected in the number of submissions received – over 300 so far. The views expressed in submissions have been diverse.

Agricultural, business and industry groups call for Australia to increase its engagement with the WTO dispute settlement system, initiating disputes to protect Australian producers and gain access to new export markets. On the other hand, many non-government organisations, unions, community groups and individuals argue that Australia should be more cautious in its interaction with the WTO, and should push for issues such as environment, human rights and labour standards to be included in WTO agreements.

The Treaties Committee has sought to hear a wide cross-section of views by holding public hearings and community forums across Australia. These will wind up in May. Panel discussions have also been held on issues central to the inquiry such as agriculture, intellectual property and culture, lawyers and the WTO, and environment, human rights and labour standards.

As a mid-sized trading nation, the WTO has allowed Australia to 'punch above its weight' in international trade negotiations thus far. The Treaties Committee report is likely to make suggestions about how to improve Australia's interaction with and use of the WTO, and how to ensure that the Australian community's views on trade issues are taken account of when formulating trade policy.

The Treaties Committee plans to table its report by mid-year.

For more information

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