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Secret EU document threatens Post, Telstra and Australian foreign ownership rules

A leaked secret European Union document about the current WTO Trade in Services (GATS) negotiations shows that the EU is seeking global rules which remove the right of Australian governments to regulate essential services, says Dr Patricia Ranald, the convenor of the Australian Fair Trade and Investment Network (AFTINET). AFTINET is a network of over 50 community organisations which conducts public education on trade policy.

"The EU document demands that Australia remove the right to reject foreign investment 'on the basis of national interest considerations,' labelling this right as 'discriminatory'. This would effectively remove the few remaining powers of the Foreign Investment Review Board to regulate foreign investment in services" Dr Ranald explained.

Dr Ranald says the document also requires Australia to

- treat postal services purely as traded goods and open them to competition by private foreign companies. This would threaten the current policy of public ownership of basic postal services to ensure that they remain affordable all Australians, especially those living in rural and regional areas
- remove the requirement of majority Australian ownership of shares in Telstra
- treat water services purely as traded goods which would threaten most state governments policies of public ownership and price regulation of water services to ensure they remain accessible and affordable to all Australians.

"This document has echoes of the failed Multilateral Agreement on Investment and shows the danger of governments negotiating behind closed doors" says Dr Ranald.

"AFTINET is launching a publication "The WTO New Round: Resurrecting the MAI?" on Wednesday April 24 at 12.30 at the Jubilee Room, NSW Parliament House, Maquarie St, Sydney which explains these issues and calls for public debate on them".

"In Australia, trade agreements are tabled briefly in parliament and examined by a parliamentary committee, but they are not voted in parliament: Cabinet makes the final decision. We must demand more transparency and accountability of our governments, so that vital policy on essential services is not secretly signed away in trade agreements. We call on the Australian government to release the requests it has made to other governments so that they can be publicly debated," she added.

The EU document is available on <http://www.gatswatch.org/requests-offers.html>

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