

# Don't Gamble



## With Canada

**They're at it *again*.**

After being dealt the losing hand in the North American Free Trade Agreement (NAFTA), upping the ante with the controversial Multilateral Agreement on Investment (MAI), and betting the house at the disastrous Seattle round of World Trade Organization (WTO) talks, the Chrétien government is once again playing poker with the country.

It's called the **General Agreement on Trade in Services (GATS)**, one of a host of agreements negotiated by the powerful WTO. And after the failure of WTO talks in Seattle, the stakes are high. Canada is chairing the negotiations.

The GATS has been around for most of the past decade. But it's the breathtaking reach of new GATS talks that threatens to deliver a death blow to cherished public services such as Medicare and public education.

That's because the new GATS negotiations aim to privatize and open to corporate competition as many services as possible. Everything is on the table. Even control of our water and culture is at stake.

More than 70% of Canadians are employed in service sectors. Doctors and nurses, teachers and professors, postal workers and pilots—all perform vital services for Canadians. Potentially, every service is covered by the GATS, and every government—federal, provincial, municipal and First Nations—is bound by it.

WTO negotiators have agreed to approach the new GATS in two phases. *First, change the rules, then, negotiate the different sectors.*

But the approach has a fatal flaw. Negotiators can't guarantee that any sector will be protected because the final arbiter is the WTO's own Dispute Settlement Body—a panel of trade bureaucrats whose binding decisions are made behind closed doors. In 1994, for example, when the GATS was first negotiated, Canadian officials believed they had protected the Canada-U.S. Auto Pact—only to find recently the opposite to be true. Now Canada faces the prospect of abandoning a deal that for decades has proved a net gain for one destined to prove a net loss.

In fact, it's become clear that the GATS is so complicated any re-negotiation is a gamble—a gamble we could easily lose.

And it's not hard to see why. The new GATS would contain provisions that give corporations tremendous powers over democratic governments, including:

- "Commercial presence," which allows foreign corporations influential investment "rights" once they locate within Canada;

- "National treatment," which requires elected governments to favour foreign corporations as much as (if not more than) Canadian companies—including access to public subsidies;
- "Domestic regulation," which severely limits the ability of governments to enact and enforce environmental, health and other regulations that hinder trade.

Under the proposed GATS, the pressure to privatize public health care, education, water and other services will increase dramatically. And once a service has been privatized, say the GATS rules, there is no possibility of future governments reclaiming the service for the public sector. GATS negotiators aren't only gambling with existing public services; they're tying the hands of future governments who may try to undo the damage.

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### DEAL US OUT!

Send Ottawa a message:  
Don't gamble with Canada!

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Call, write or fax your Member of Parliament and Minister for International Trade Pierre Pettigrew.

Ask them to withdraw from the GATS negotiations—*now*.

(To get your MP's name and phone number, call 1 800 267-7360.)

Write to: Pierre Pettigrew

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Join The Council of Canadians' campaign to stop the GATS.

For more information call 1 800 387-7177  
Or visit our Web site at [www.canadians.org](http://www.canadians.org)

