# **Canadian Library Association Perspective on the World Trade Organization Meetings**

Approved by Executive Council ~ November 1999

#### Introduction

The future of libraries of all kinds could be affected by a series of international trade treaties that are currently under discussion. The next important meeting discussing these trade agreements is the WTO Ministerial Conference in Seattle beginning November 30, 1999. CLA, ALA and IFLA representatives will be there to defend the interests of libraries and the value of the public sector.

### **Background**

The World Trade Organization (WTO) Ministerial Conference in Seattle on November 30, 1999 begins the Millennium Round of negotiations. The Ministerial Conference will set the agenda for negotiations which are expected to last three years. The previous Uruguay Round ended in 1994 after seven years of negotiations. The General Agreement on Trade in Services (GATS) implemented at that time exempted services supplied in the exercise of governmental authority but ambiguously excluded from the definition of governmental authority any service supplied on a commercial basis, not in competition with one or more service suppliers.

As part of the current Millennium Round, there are proposals to expand the GATS from a bottom-up agreement which requires all services covered to be listed in the Agreement to a top-down agreement where all services are included unless specifically exempted. Libraries are not included in the current GATS Agreement and will most certainly be included in the new Agreement unless specifically exempted. To date, the Canadian government has not released its position paper on the WTO negotiations but Minister Pettigrew has been quoted that Canada will not seek exemptions.

Libraries, museums, and archives, as well as health services and education, are potentially affected by the World Trade Organization Millennium Round, specifically

relating to the General Agreement on Trade in Services. The following areas are of concern:

- 1. Proposed changes to GATS will open up all aspects of the economy to foreign competition, including libraries.
- 2. Privatization of libraries may result from the proposals for expansion of the GATS Agreement.
- 3. Possible guarantee of the right of foreign, for-profit library services and suppliers to set-up in Canada and compete against publicly-funded libraries. Canada would then have to offer them national treatment, i.e. foreign corporations would have to be treated as well or better than any national supplier. Since the Agreement will cover subsidies, these corporations might be able to argue they should receive equal funding from the government.
- 4. Sub-Central governments, provincial, municipal, regional governments and their various Boards and Crown Corporations, would be included in any agreements agreed to by the Government of Canada (Part I, Scope and Definition, Article 1, Clause 3a of the existing agreement).
- 5. The Market Access (Part II, Specific Commitments, Article XVI) has two clauses that ban (e) measures which restrict or require specific types of legal entity or joint venture through which a service supplier may supply a service; and (f) limitations on the participation of foreign capital in terms of the maximum percentage limit on foreign shareholding or the total value of individual or aggregate foreign investment.
- 6. These two clauses could prevent local communities from keeping their library services in the public or non-profit sector.
- 7. Professional standards could come under challenge as a trade barrier. Article VI of the GATS deals with how domestic regulation could have to be changed to accommodate the overarching goal of trade liberalization in services. The Council for Trade in Service is empowered to set up review panels to assess whether qualification requirements and procedures, technical standards and licensing requirements constitute unnecessary barriers to trade in services.

CLA perspective in this area is based on resolutions at the 1998 Annual General Meeting on the MAI and at the 1999 Annual General Meeting on the WTO.

Libraries are unique social organizations dedicated to providing the broadest range of information and ideas to the public regardless of age, religion, social status, race, gender or language. The CLA Intellectual Freedom Statement and the CLA Information

and Telecommunication Access Principles are the basis for assuring that the goals of diversity and access are achieved.

Public libraries provide free circulation of books and material, reference services and other services to all residents of their jurisdiction. The UNESCO Public Library Manifesto provides an eloquent statement of the role and importance of public libraries.

Post-secondary libraries provide access to the great intellectual and research traditions in concert with the vision and mission of their institutions.

School libraries provide books, materials and training to support the school curriculum.

#### **Objectives**

- 1. To strengthen opposition to those WTO policies which may adversely affect the public sector in Canada, specifically those affecting libraries. The WTO meetings in Seattle afford an opportunity to build links with other opponents at both the national and international level who support libraries and a strong public sector.
- 2. To advocate for a delay of the Millennium Round until there has been a sufficient evaluation of the impact of the Uruguay Round and NAFTA on environmental, labour and social service standards.
- 3. To promote the importance of libraries as the central public institutions for the collection and distribution of the historical, cultural and intellectual record of civilization in the service of the public and their educational institutions. Libraries enrich and inspire through providing access to the broadest possible range of information and ideas while encouraging democratic discussion and social participation.
- 4. To participate in an active international alliance of libraries through a development and cohesion of joint policies and educational and lobbying efforts.
- To make links with other organizations, particularly, but not restricted to, the cultural sector in recognition of our common interests in the promotion of libraries and cultural institutions as central to the enrichment and democratic foundations of society.

#### **Positions**

1. The Canadian Library Association supports and joins with other public sector organizations such as museums, archives, public education institutions and public health services in declaring the importance of our services to the health, richness and level of equity so far established in our society.

CLA supports the creation of an exemption for library services, as the possible outcome of permitting the private sector to compete with libraries, educational institutions and health services could be to undermine their tax-supported status.

Our fundamental position is opposition to the WTO/GATS as presently outlined in the WTO documents.

2. Libraries are part of the cultural sector. They are involved in encouraging the development and promotion of cultural products, particularly literature, and the preservation and dissemination of those products. Libraries should be part of exemptions for culture and should support and be part of any possible separate treaty which allows special consideration for cultural goods and services in international trade.

CLA should work with other Canadian cultural groups such as the Writers Union of Canada and the Conference of the Arts as well as other national and international cultural groups to create alliances for achieving recognition and protection for the development of regional and domestic cultural products. The objective of such an alliance is the creation of cultural diversity and the encouragement of multiple voices.

3. CLA will concentrate on a separate agreement/exemption for libraries and cultural organizations while continuing to push for protection of the public sector as broadly defined.

## **Approved by CLA Executive Council**

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The current General Agreement on Trade in Services is located at: www.wto.org/wto/services/gatsintr.htm.

Background papers on the proposed changes can be found at: <a href="https://www.wto.org/services/w65/htm">www.wto.org/services/w65/htm</a>.