

**MULTILATERAL TRADE
NEGOTIATIONS
THE URUGUAY ROUND**

RESTRICTED

MTN.GNS/LAB/3
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Group of Negotiations on Services

WORKING GROUP ON LABOUR MOBILITY

Note on the Meeting of 8-9 October 1990

1. The Chairman welcomed participants to the third meeting of the working group on labour mobility and, in accordance with the GNS decision on further work on sectoral annotations/annexes, suggested that the working group should give its assessment as to whether a specific annotation/ annex was needed for labour mobility, and, if so, to identify the issues/ provisions that required annotation.

2. The representative of the United States presented the annex proposed by the U.S. on the temporary movement of service personnel contained in document MTN.GNS/LAB/W/1. The annex was intended to clarify the principles in the draft framework relative to cross-border movement of personnel as a mode of delivery. In the negotiation of specific access commitments parties to the framework would apply the annex to those sectors or sub-sectors for which they would grant market access under the framework as provided in the schedules of concessions. In the discussion of this document, a number of points were raised by delegations including: how should the question of labour mobility be dealt with in the GNS context - in the form of framework provisions or in a separate annex on labour movement? Regarding definitional issues, what were service providers "essential" to the provision of the service? Could the essentiality concept be applied to other factor movements? What was temporary relocation of service providers and what was meant by "key" personnel. To what extent should there be symmetrical treatment between labour and establishment issues?

3. During informal consultations, delegations addressed the two main questions outlined above. Regarding the need for a specific annotation/annex, there was agreement that there were many complexities and important specificities associated with the temporary movement of personnel or labour as service providers. Given the complexities, specificities and sensitivities associated with labour mobility, however, there was no convergence of views on the need for a specific annotation/annex to deal with matters relating to the mobility of labour. While some delegations considered that an annex was not necessary, several other delegations held the view that certain specificities need to be spelled out in an annex. There were differences of opinion as to the purpose of such an annex.

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4. It was suggested by some of the delegations seeking a separate annex that such an annex should ensure that immigration regulations neither acted as an unnecessary barrier to trade in services nor nullified or impaired benefits deriving from negotiated concessions. Furthermore, some delegations considered that such an annex, or the framework article on domestic regulation, was not intended to affect immigration laws and regulations dealing with permanent residence or citizenship. There were, however, differing views as to what kind of personnel the annex should apply to: (a) cross-border movement of all kinds of personnel: unskilled, semi-skilled and skilled; (b) certain categories of employees of service providers considered essential to the delivery of a service, while other categories of labour would be dealt with on a case-by-case basis in the context of market access negotiations. Finally, the Chairman noted that most delegations were of the view that the temporary movement of personnel to provide services should take place under conditions of specificity of purpose and limited duration. Some delegations considered that the nature of the market access concession granted would determine both.

5. Following informal consultations, the Chairman presented to the working group his report on labour mobility for consideration by the sectoral ad hoc working group.