

CEC Bulletin

(November, 2005)

The IV Summit of the Americas

Mar del Plata, Argentina – November 4-5, 2005

The IV Summit of the Americas took place in Mar del Plata, Argentina, on November 4-5, 2005. 34 Heads of State and Government of the Americas, including Prime Minister Paul Martin, attended this Summit. Their efforts were directed at building and implementing a shared agenda on the theme of the IV Summit “Creating Jobs to Fight Poverty and Strengthen Democratic Governance.”

The theme of the Summit placed work at the centre of the hemispheric agenda. The aim was to define concrete policies and actions, including promoting policies to generate more and better jobs, incorporating the informal sector into the formal economy, combating all forms of employment discrimination, promoting the development of innovative capacities and the diffusion of technological advances, and developing programs that help labour markets function efficiently and transparently.

Brian Burkett and John Craig of Heenan Blaikie LLP attended the Summit as delegates on behalf of the CEC. The CEC was in attendance on Thursday, November 3, 2005 at a Meeting of the Ministers of Foreign Affairs, the OAS Secretary General, and Representatives of the Business Technical Advisory Committee on Labour Matters (CEATAL) and the Trade Union Technical Advisory Council (COSATE). This was a successful session with Ministers of Labour and Foreign Affairs (including Canadian Foreign Minister Pierre Pettigrew) during which CEATAL and COSATE presented their joint position on the social dimensions of globalization.

A disappointing division emerged between the South American “Five” (Venezuela, Argentina, Brazil, Paraguay and Uruguay) and the rest of the Americas on the proposed Free Trade Area of the Americas (“FTAA”). 29 countries including the United States, Canada, Mexico, Colombia and Chile view the FTAA as a means of boosting prosperity and reducing poverty throughout the continent, and had hoped that the Summit would serve to revive the initiative for hemispheric integration. The “Five”, however, opposed proceeding with talks for a hemisphere-wide free trade area.

While the FTAA initiative is faltering due to this division, the split is not terminal. Only Venezuela’s President Hugo Chávez wants to “bury the FTAA for good”. The remaining four countries believe that while conditions do not exist to negotiate the FTAA as proposed at this point, they would join the negotiations if some concessions were made; for example, if the United States lifted its subsidies to U.S. farmers, which are hurting South American agricultural exports. There is a growing fatigue among the group of 29, and an escalating desire by some members to go forward without the “Five” and launch an “FTAA of the willing.”

DECLARATION

The Heads of State and Government issued a joint Declaration on November 5, 2005. The “Declaration of Mar del Plata” reaffirms nations’ commitment to fight poverty, inequality, hunger, and social exclusion in order to raise the standard of living of their peoples and strengthen democratic governance in the Americas. The Declaration assigns the right to work a central place on the hemispheric agenda, recognizing the essential role of the creation of decent work to achieve these objectives.

The priority issues discussed in the Declaration are Growth with Employment, Jobs to Fight Poverty, Training the Labour Force, Micro, Small and Medium-sized Enterprises as an Engine of Job Growth, Framework for Creating Decent Work, and Strengthening Democratic Governance.

PLAN OF ACTION

The “Mar del Plata Plan of Action” addresses the themes of Creating Decent Work, Growth with Employment, Social Development and Strengthening Democratic Governance. For each of these themes, national commitments, guidelines for hemispheric cooperation and the role of international organizations are set out.

The national commitments included eliminating forced labour before 2010, eradicating child labour by 2020, reducing youth unemployment, eliminating discrimination against women at work, and ensuring equal access to the benefits of social protection. Hemispheric cooperation initiatives included promoting cooperation among the Ministries of Labour within the context of the Inter-American Conference of Ministers of Labour (IACML). Regarding the role of international organizations, the nations called for improved statistical analysis, increased technical assistance, and support from multilateral development banks to the poorest and least creditworthy countries as performance-based grants.

FINAL COMMENTS

The Summit revealed significant differences of opinion amongst nations about the FTAA process and hemispheric economic integration: the NAFTA nations are eager to push ahead with the FTAA negotiations; Brazil, Argentina and its neighbours from the Southern Cone Common Market (MERCOSUR) are mostly agricultural exporters, and find it vital to gain greater access for their goods to the U.S. market; other Latin American countries are major exporters of manufactured goods, and their biggest priority is to gain long-term access to the United States in order to lure long-term investors. Furthermore, the event was paralleled by a week-long alternate Summit including a mass march and a two-hour anti-globalization speech by Venezuela’s Hugo Chávez to a crowd of 40,000 at a nearby soccer stadium.

The IACML is the Summit body that implements Plans of Action in labour concerns. For past years it has focused on trade and labour issues and the needs and capacities of labour administration. Given the emerging tensions regarding hemispheric economic integration, it likely that the IACML will focus less on trade and labour issues, and more on professionalizing labour administration, reforming labour laws and policies, and promoting technical horizontal cooperation.

If you are interested in further information about the IV Summit of the Americas, including a copy of the Declaration, please contact Brian Burkett at Heenan Blaikie LLP (bburkett@heenan.ca; 416-360-3529).

The Canadian Employers Council (CEC) prepares and distributes the CEC Bulletin for its members' individual use only. This message is composed in MS Outlook and contains hyperlinks that require an HTML-enabled email program. For inquiries or comments, please contact Andrew Finlay of Scotiabank, Chair of the CEC, at andrew.finlay@scotiabank.com or Brian Burkett of Heenan Blaikie, Counsel to the CEC, at bburkett@heenan.ca.
