

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

UNSTARRED QUESTION NO:2583
ANSWERED ON:09.12.2005
HUMAN RESOURCE IN INDIA
Owaisi Shri Asaduddin

Will the Minister of FINANCE be pleased to state:

- (a) whether unfair trade practice in terms of market access and labour movement adopted by certain developed countries have been hindering the growth of world trade in an equitable manner;
- (b) if so, whether he, in his address to G-20, has asked for free movement of work force from developing countries;
- (c) if so, the details thereof;
- (d) whether India has a large pool of human resource to supply to global markets;
- (e) if so, the response of the developed nations to the appeal of Finance Minister; and
- (f) the strategy adopted or being chalked out by Government to send greater labour force to developed countries?

Answer

Minister of State in the Ministry of Finance (SHRI S.S.PALANIMANICKAM)

(a) One way exporting services is through Mode 4

(Movement of Natural Persons), which is the physical movement of service providers, across the borders. Under the General Agreement on Trade in Services

(GATS), presently there is a very little commitment by developed countries in this mode of supply. Several limitations related to grant of visas, economic needs tests, requirements of work permit, non-recognition of qualifications, etc. restrict easy movement of professionals for supply of services even for short term contracts.

(b)&(c) The address on 'Demographic challenges and migrations' to the G-20 Finance Ministers and Central Bank Governors, which was in the form of musings touched upon, among others, the need for a coordinated approach to immigration policies in labour importing countries as well as labour exporting countries.

(d) to (f) In the World Trade Organisation (WTO) India has been seeking market access under GATS from our trading partners, for our large pool of human resources, in particular, skilled professionals. The mandate of the GATS is only for temporary movement of services providers and there is no provision for seeking access to the labour and employment markets of our trading partners. Negotiations are proceeding in the WTO to get effective market access for our service providers.