

AMERICAN FEDERATION OF LABOR AND CONGRESS OF INDUSTRIAL ORGANIZATIONS



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LEGISLATIVE ALERT!

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March 14, 2006

Dear Senator

President Bush has indicated he will pursue passage of free trade agreements with Peru, Colombia, and Oman this year. The AFL-CIO strongly opposes these flawed trade agreements and urges you to vote against them should they come before the Congress.

The United States is facing severe challenges with respect to our manufacturing sector, the quality of American jobs, and our trade balance. Since 1998, the U.S. has lost three million good-paying manufacturing jobs. The trade deficit for 2005 reached a record \$726 billion. The deficit with China alone topped \$200 billion. The recently released trade figures for January 2006 set another record— with the deficit reaching almost \$70 billion. Real wages have stagnated, real median family incomes are falling, and our trading partners often violate their trade obligations without reprisal.

The Bush Administration's response to this serious crisis has been to ignore available trade law remedies against nations like China and instead focus on negotiating a patchwork of flawed one-size-fits-all trade agreements with smaller nations. In addition to other problems, these agreements are particularly inadequate with respect to worker rights and the environment

After Congress passed the Central American Free Trade Agreement (CAFTA) by the narrowest of margins, USTR Robert Portman publicly committed to working more closely with Members on both sides of the aisle to address their concerns. Unfortunately, following that contentious and divisive battle, nothing has changed. The labor provisions of the Peru, Colombia, and Oman free trade agreements are essentially the same as those in the failed CAFTA. Aside from empty gestures, the Administration has again taken a narrow and restrictive interpretation of Trade Promotion Authority (TPA) objectives regarding labor and the environment.

In every FTA that has been recently concluded or is under negotiation, the labor language supported by USTR is identical in every important respect to the problematic and inadequate labor rights language contained in CAFTA. These FTAs require only that nations enforce their own labor laws. They offer no assurance that existing labor law problems will be resolved, and they allow labor laws to be weakened or even eliminated in the future, with no possibility of recourse short of exiting the entire agreement.

While the labor law deficiencies, lack of enforcement, or outright suppression of workers in Colombia, Peru and Oman are well-documented, some of the more troubling examples include:

In Colombia, 200 unionists were killed in 2004, making it the most dangerous country in the world for workers seeking to exercise their freedom to form unions. More than 3,000 union members have been killed in Colombia since 1985, and only five people have been indicted in these cases. ¹

In Peru, the U.S. State Department has indicated child labor remains a serious problem. It is estimated that 2.3 million children between the ages of 6 and 17 years old were engaged in work.²

In Oman, the “revised” 2003 laws remain in serious violation of the International Labor Organization’s most important and fundamental rights: freedom of association and the right to organize and bargain collectively. There are no independent unions in the country. Omani law authorizes the formation of “worker representative committees,” which are subject to government approval. The committees are required to provide meeting notices, agendas, documents, and papers relating to meetings to the government one month prior to any meetings. The 2003 laws also require that copies of a meeting’s minutes be provided and, perhaps most worrisome, that government representatives be allowed to attend the meetings. ³

While trade sanctions and serious remedies are granted to the commercial trade and investment provisions of these agreements, the labor and environmental dispute settlement provisions are again left unnecessarily weak and ineffectual. These issues can only be resolved by significant changes in the actual labor provisions that are negotiated, and by the selection of appropriate partners with which to negotiate trade agreements.

Though our negotiators at USTR often seem able to leverage significant investment, pharmaceutical, and commercial concessions, they claim that our trading partners would not agree to ILO standards and enforceable labor provisions in the core text of agreements. Contrary to this assertion, in September 2005, Peruvian President Alejandro Toledo publicly indicated a willingness to incorporate the ILO’s core labor standards in the U.S.-Peru FTA, along with an enforcement mechanism. USTR immediately attempted to downplay the offer. ⁴

¹ International Confederation of Free Trade Unions, Annual Survey of Violations of Trade Union Rights (2005).

² U.S. State Department, Country Reports on Human Rights Practices (2005) located at <http://www.state.gov/g/drl/rls/hrrpt/2005/61738.htm>

³ Testimony of Thea M. Lee, Policy Director, AFL-CIO, before the Subcommittee on International Trade of the Senate Committee on Finance (March 6, 2006); Sultanate of Oman, Ministry of Manpower, Ministerial Decision No. 135/2004 On Principles of Formation and Work of Representative Committee in Establishments.

⁴ “Levin Sees Little USTR Willingness to Compromise on Labor in FTAs,” Inside U.S. Trade (November 2005).

Rather than negotiating a patchwork of disconnected and flawed free trade agreements, it is time for Congress to focus on positive initiatives to correct the failures of this Administration's damaging economic and trade policies. The AFL-CIO remains committed to standing up for America's middle class, manufacturing industries, and working families. We strongly urge you to join us in opposing the deeply flawed Peru, Colombia, and Oman free trade agreements.

Sincerely,

A handwritten signature in black ink, appearing to read 'William Samuel', written in a cursive style.

William Samuel, Director
DEPARTMENT OF LEGISLATION