AFL-CIO Strategy to Enhance Labor Rights in the Global Economy

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Intro

“Trade” Agreements Not About the Common Good, Are About Freeing Corporations from Democracy
Working People Have Been Working on Trade Reform Long Before the Trump Era
But to Little Effect

• Told “not to burden trade deals with too much”
• Told not to try to achieve through trade agreements what we could not get through domestic law
• NAFTA 2.0: Of 18 Recommendations, 1 was fully achieved, 6 made some progress, 10 were not achieved at all, and 1 remains to be seen (a process question)
Trade Policy

Stronger Enforcement, Less Outsourcing

Do more on labor & environment

Afraid to criticize impact of trade policies because they would be seen as anti-trade

Deregulation, privatization, Promote Big Banks & Big Pharma

Labor's Trade Policy

Democratic Party Trade Policy

Trump's Trade Policy

Totally overhaul trade policy to get rid of pro-corporate bias, make trade more equitable & sustainable for workers in all countries

Nationalism, Xenophobia

Do more on labor & environment

Afraid to criticize impact of trade policies because they would be seen as anti-trade
The Challenge: Distinguish Our Values

• Popular Media Reports There Are Only Two Options:
  1. “Neoliberal” Free Trade (the status quo)
  2. Trump/Protectionism/Isolationism/Nationalism

• The overlooked option is international cooperation based on progressive economics, wage-led growth and strong, democratic unions.
Our Approach

- Working families are better off with effective int’l rules, not a go it alone strategy
- The “bad guys” are the global corporations driving the race to the bottom & politicians who do their bidding
- Foreign workers are not our enemies but our allies
- The critical piece of trade reform must be on labor rights
AFL-CIO’s US-EU & US-UK Proposal

• All/virtually all tariffs to zero, long phase out for some products
• Labor Obligations
• Environmental Obligations
• Dispute Settlement
• Voluntary Working Group to address so-called trade barriers (like a DAG for chlorine chicken, leaded lipstick, ractopamine and antibiotics in the food supply)
Labor

• Standards
• Floor Wage
• Migrant Labor & Worker Recruitment
• Secretariat
• Oversight
• Corporate reins: transnational bargaining & race to the top
Labor Standards

• 8 Core Conventions
• Inspectors
• Covers all workers, recognizing that the labor market isn’t bifurcated
• Covers all workers, recognizing that governments can get out of their obligations by defining workers as “not workers”
• Place of Posting Requirements
Secretariat

- Totally independent, even more than ILO
- Inspects, researches, provides technical assistance, responds to complaints, brings cases to dispute settlement when all efforts have failed
- When Secretariat fails to act or Parties refuse to impose penalties, interested parties can go to domestic courts to compel action or to seek other remedies
Floor Wage

Floor Wages to Ensure Level Playing Field: Parties agree that all workers—regardless of sector—have the right to receive wages sufficient for them to afford, in the region of the signatory country where the worker resides, a decent standard of living for the worker and her or his family. Elements of a decent standard of living include food, water, housing, education, health care, transportation, clothing and other essential needs, including the ability to save for retirement and emergencies. Parties agree that it is a violation of NAFTA to export products whose production in one of the signatory countries, at any point in the supply chain, involved the payment, to any worker involved in the production process, of remuneration for a standard workweek that was insufficient to meet this standard.
Floor Wage

- Based on local economy where workers work
- Determined by a neutral panel of labor economists—5 of 7 must agree
- If found in violation,
  - 1 year of transition, technical assistance
  - 1 year of labeling
  - After that, the other parties must tariff goods from the affected workplaces of the amount of the violation plus a 20% penalty—money collected goes back to the workers who aren’t being paid fairly
- Panel must determine a floor wage is being paid to lift sanctions