

Free trade agreements are a fast track to poverty



LIBERALISATION

BY LEO GERARD

AS THE US economy climbs out of recession, so-called Free Trade Agreements threaten to pull American workers back into the abyss.

The US is currently negotiating two major agreements – the Trans-Atlantic Trade and Investment Partnership (TTIP) with the European Union, and the Trans-Pacific Partnership (TPP) with 11 Pacific Rim nations.

To get these agreements through the US Congress, the President needs Trade Promotion Authority (TPA), known as “Fast Track,” which would only allow an up-or-down vote on a proposed agreement, limiting democratic debate and banning amendments.

The trade union movement in the US has criticized these agreements for a number of reasons. Our experience, beginning with NAFTA, the North American Free Trade Agreement, and the model for all subsequent trade agreements, has cost American workers at least 845,000 manufacturing jobs, according to a report from Public Citizen’s Global Trade Watch. Even when manufacturing workers found new jobs, these jobs were often precarious ones – low-wage,

part-time, and with no union representation.

Today, NAFTA-style agreements like TPP and TTIP are being negotiated in secret – even our elected representatives cannot get a copy of the texts.

Based on what we know from leaked information, these agreements would shift the rules of the global economy even further against workers and in favour of global banks and corporations.

They contain Investor-State Dispute Settlement (ISDS) clauses that would allow corporations to sue state and local governments to nullify laws that protect workers and the environment.

They make it easier to privatize government services and threaten “Buy American” and Buy Canadian” laws that

require government procurement to be sourced domestically.

They allow state-controlled and subsidized companies to compete unfairly with U.S. companies that don’t receive such support.

They distort domestic content requirements to allow products made in non-signatory countries, such as China, to benefit from the agreements.

They allow countries to gain an unfair advantage in labor costs by busting unions, slashing wages, and suppressing democratic protest.

While TPP and TTIP are still being negotiated, we now have the text of the Canada-EU agreement (CETA), and it has no good news for the USW’s Canadian members.

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Tories pledge to outlaw public sector strikes

THE CONSERVATIVE Party have made a manifesto pledge saying they it will increase the thresholds of turnouts for industrial action ballots in the public sector.

Under their plans, strike action in health, transport, fire services or schools would need the backing of 40% of union members eligible to vote.

They are also proposing to end the ban on using agency staff scabbing on striking workers and they will impose a three-month time limit after a ballot for action to take place.

Trade Union Congress General Secretary Frances O’Grady said: “The Conservatives know that this threshold will effectively end the right to strike in the public sector.

Unison general secretary Dave Prentis said the proposed measures would “Shift the balance completely in favour of the government and employers, and away from dedicated public servants”.

GMB general secretary Paul Kenny pointed out that: “Only 16 out of 650 elected

Members of Parliament secured the support of 40% of those entitled to vote in their parliamentary constituency area election in 2010. Only 15 Tory MPs out of 303 secured that level of support. They had no hesitation in forming a government in 2010 without securing 40% support from the electorate.”

Unite’s Len McCluskey said: “This latest threat will hit workers enacting their fundamental right to stand up for fair wages, to save our public services and defend

their jobs and pensions.

“The way to improve turnouts is to modernise balloting, something trade unions have repeatedly called for but been ignored by the Conservatives who are determined to roll back the rights of working people”.

RMT General Secretary Mick Cash said: “The Tory Party have outlined plans that would rig strike ballots in favour of the same gang of dodgy bosses that bankroll the Conservatives up to the hilt”. ■

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CETA gives a green light to auctioning off public services including transportation, education and health care. It includes broad Investor-State Dispute Settlement language to protect corporations, but it has no enforceable labor rights protections.

In fact, CETA is so extreme that Germany and France have stated that they will refuse to ratify it because of the ISDS provisions, which could force the agreement to be re-negotiated. This would be good news for citizens' movements across Europe as well as in Canada who have condemned CETA and TTIP as a threat to democracy.

Unions like the USW that represent manufacturing workers have always argued that trade can benefit our members and contribute to shared prosperity. Especially in the case of Europe, which generally has high labor and production standards, we think that a good agreement could help limit abuses of worker rights in the US. As IndustriALL Europe has stated "the TTIP should extend the area of application of social legislation and enforcement mechanisms embodied in European Directives (on European Works Councils or Information and Consultation for example) and in international conventions like the ILO core labour standards."

Unfortunately, the agreements that have been negotiated (such as CETA) and those in the pipeline (TTIP and TPP) have yet to show that they will enhance standards and, instead, simply reproduce the deindustrialization, destruction of workers' rights, inequality and poverty that has been the legacy of Free Trade Agreements for average workers and their families ■

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EU and US unions must to get labour rights on t



BY JUDE KIRTON-DARLING MEP

THE LABOUR movement's approach to international trade has always been a balancing act. Workers were already in two minds about the repeal of the Corn Laws in the 1840's. Cheap bread versus high wages: the terms of the debate have not changed dramatically since then.

On the one hand, the opening of foreign markets holds promises of new jobs and a better deal for consumers. But on the other hand, the opening of our borders gives rise to fears of social dumping and lower wages. As the EU is currently engaged in international negotiations of unprecedented

magnitude, on the Transatlantic Trade and Investment Partnership (TTIP) and the plurilateral Trade In Services Agreement (TISA) potentially affecting all sectors across Europe, it should come as no surprise that the British public are heavily engaged in debating international trade's risks and opportunities. On the contrary, this should be welcomed, and mobilisation can yield results in how globalisation is regulated.

Most attention has been focused on defending public services, the judicial system and right to regulate against the threat of Investor-State Dispute Settlement (ISDS). The scale of public concern about ISDS was met with disbelief by some trade policy experts but demonstrates the public concern that our democracies are being undermined.

The list of EU countries rejecting ISDS is growing larger every month, and the prospect that the European Parliament would use its veto against it is becoming stronger by the day.

Labour MEPs have been unequivocal that these are redlines for us.

However, we should not only be defending positions in these negotiations. We also have an offensive agenda. It is to use these negotiations to promote higher labour standards at home and abroad. This is not just a pipe dream, but to date the potential to do this has not received similar levels of public attention.

Promoting labour standards is not just about projecting our values across the world. It is an absolute necessity to guarantee a level playing field.

We cannot and must not compete with the USA on wages and labour rights. Real wages have been stagnating in the USA since the 1970s, while 25% of private sector workers and 35% of public sector workers do not have the right to collective bargaining.

As for the right to strike, it's a distant memory in the majority of southern US States. If we sign an agreement with the USA that



st work together trade agendas

does not fully address this situation, our own rights and wages will be under intense pressure from unfair competition. The same applies within the negotiations on a TISA, with a much larger and disparate group of countries in the corridors of the WTO.

'Setting ambitious common labour standards in TTIP and TISA would be a very significant step in our on-going battle to regulate globalisation.'

But if we can achieve progress on the labour front, the payoff will be large not just in terms of the parties involved, but also at global level. Setting ambitious common labour standards in TTIP and TISA would be a very significant step in our on-going battle to regulate globalisation. The absence of such rules has

unleashed the full brunt of market forces against workers across Europe for the last 40 years, and TTIP and TISA offer us important opportunities to attempt to remedy this situation.

The USA has not ratified 6 of 8 ILO fundamental conventions, notably on the right to collective bargaining, freedom of association and equal remuneration, but in 1998 they did commit to their objectives.

As we understand it, the US Trade Representative has been told by the European Commission that they would have to go beyond commitments and into implementation if there is to be any TTIP.

The European Commission will need all of our backing on this. Our campaign on this new front has just started and it is a common fight in which US and European trade unions must work together ■

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SHADOW RAPPOREUR ON TISA



IG Metall: TTIP & CETA are 'Unacceptable'

GERMANY

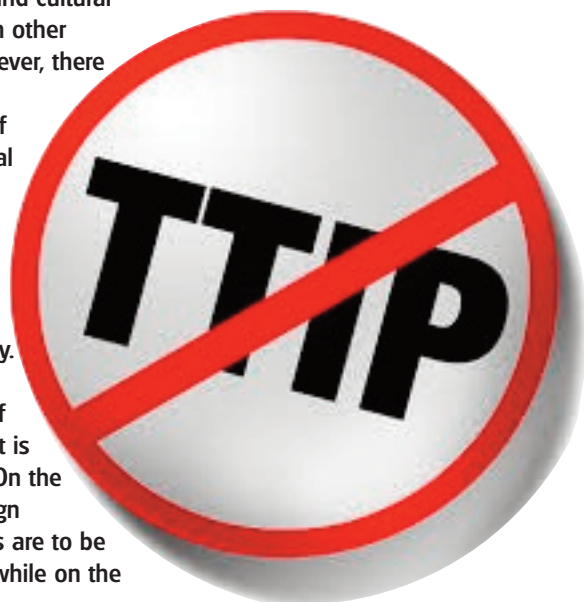
EUROPE'S BIGGEST trade union the powerful German metalworkers union, IG Metall, has come out against the TTIP and CETA trade deals.

IG Metall have warned that the German models of co-determination, collective bargaining as well as social and environmental protection may be compromised or endangered and has said TTIP and CETA were "driven economic special interests".

IG Metall said that they were not opposed in principle to free trade agreements, which govern the economic and cultural exchanges with other countries. However, there had to be an improvement of economic, social and environmental standards, and they must aim to promote cultural diversity.

The union's President Detlef Wetzlar said: "It is unacceptable. On the one hand foreign investors' rights are to be strengthened, while on the

other hand, labour and social standards are in insignificant side chapter - 'Sustainability Chapter' - with no prospect of real improvement. We reject any kind of investment protection agreements (ISDS) and expect that all ILO core labour standards be signed by the US side. If even one of these points doubtful, we say no to the TTIP and the CETA negotiations. It is not enough to assert that there is no deterioration in labour and social standards. The fact is that trade liberalisation leads to more competitive pressure also and especially on labour and social standards." ■



Union rights under attack



NEW ZEALAND

BY TONY BURKE

NEW ZEALAND’S right wing National Party lead by John Key has pushed through changes to legislation which

attack employee rights at work. Unions and Labour say that they are a “step backwards” and being are “driven by ideology”.

The new laws, trivialized in some parts of the NZ media, are being described as “tea break” or “smoking break” laws.

But the new laws take away the legal right to a break at work. In addition the Government also introduced changes to collective bargaining laws and penalties on workers taking industrial action.

The Employment Relations Amendment Bill, was passed with support from the right wing

free market party ACT and the United Future Party and faced strong opposition from Unions, the Labour Party, the Greens, NZ First and the Maori Party.

The law removes guaranteed meal breaks in return for requiring employers to pay extra money where they are not provided. The legal right to work breaks were written into law in 2008.

Unions and Labour also opposed the weakening of collective bargaining rights and the ability of employers to dock workers’ pay for industrial action such as working to rule. It also allows employers to choose not to be part of a collective agreement even where the workforce have voted for one.

Helen Kelly, General Secretary of the NZ Council of Trade Unions said it meant New Zealand now had some of the worst worker protections in the OECD. “This law attacks workers when they are most vulnerable; when they are negotiating for a new job, when their employment is at risk.

Many workers will even lose their rights to tea and meal breaks.”

Citing the well rehearsed global neo liberal mantra, that

flexible working laws are essential for business growth the National Party say that: “balanced employment relations legislation is essential for business to grow”.

Robert Reid, General Secretary for the FIRST Union, (which covers Transport, Retail, Finance, Textiles and Wood sectors) said the changes were unnecessary and driven by ideology rather than the economy.

He said: “Collective bargaining is one of the most effective tools workers have. It works. If the government had any interest in lifting wages it would strengthen collective bargaining not attack it.”

The New Zealand Equal Opportunities Commissioner Jackie Blue joined the attack saying the new laws were “a step backward from New Zealand’s compliance with international human rights obligations to protect worker’s rights. New Zealand regularly emerges as one of the least regulated labour markets in the world. It is difficult to understand the justification for even further deregulation.” ■

TONY BURKE IS CHAIR OF THE CAMPAIGN FOR TRADE UNION FREEDOM



Campaign for Trade Union Freedom

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