



INTERNATIONAL FEDERATION OF PROFESSIONAL & TECHNICAL ENGINEERS AFL-CIO & CLC

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November 6, 2007

Dear Representative,

I am writing regarding tomorrow's expected House consideration of HR 3688, *The United States-Peru Trade Promotion Agreement Implementation Act*. As a union representing over 80,000 workers in the public, private and federal sectors, the International Federation of Professional and Technical Engineers (IFPTE) urges you to oppose this legislation.

The Peru Free Trade Agreement (FTA) does include language that requires both the United States and Peru adhere to the International Labor Organization (ILO) Declaration on Fundamental Principles and Rights at Work. However, the wording in the legislation seems to be the result of a compromise to appease those who do not support the true inclusion of workers rights provisions. The bill states that these labor obligations only reference the two page ILO Declaration, and therefore not be extended to the eight core ILO *Conventions* themselves. This compromise would allow potential FTA panels the flexibility to ignore, or even weaken through misguided interpretations, the true labor protections called for by the ILO. While IFPTE fully realizes that both the Bush Administration and business would oppose closing this loophole by requiring adherence to the eight core *Conventions*, it would nonetheless be an essential element in ensuring that the actual ILO standards are reflected in the Peru FTA.

We at IFPTE do recognize and applaud the leadership of the House Ways and Means Committee for making some labor and environmental improvements relative to past FTAs. Having said that, the Peru agreement still falls short. While this is not necessarily a criticism of the Committee's work, IFPTE believes that before the Congress moves forward with any trade agreement, including Peru, the underlying reliance on the potpourri of Agencies and trade officials whose primary goal is to promote Trade, not enforce workers rights, needs to be corrected. The lack of this concrete enforcement mechanism to ensure compliance with labor provisions is a major flaw in the Peru FTA, as it will continue to be in future FTAs if this fundamental problem is not corrected.

This is particularly alarming when you consider that if passed, this FTA would rely on the Bush Administration to take it upon themselves to enforce the labor protections. Given that this is the most anti-worker White House in recent memory, along with President Bush's adamant opposition to any labor protections to begin with, there is no reasonable expectation that the Administration will enforce any worker protections included in this FTA.

Moreover, there is no guarantee that future Administrations, whether they be Democratic or Republican would be willing to enforce the provisions as well.

Equally troubling to IFPTE is that when it comes to foreign investor privileges and Buy America policies, the Peru FTA mirrors NAFTA. Among the foreign investor problems with this bill are the following:

- Gives U.S. businesses the incentive to offshore their operations by granting foreign investors the ability to bypass domestic laws and regulations;
- Gives foreign investors the right to enforce FTA privileges by suing the U.S. government in foreign tribunals for violations of FTA rights;
- Opens up U.S. environmental, health, zoning and other policies to challenge by foreign investors in foreign tribunals;
- Requires that foreign based companies in Peru, like those in all FTA nations, have the same access to state and federal government contracts as that of U.S. based companies; and,
- Forbids the reinvestment of U.S. taxpayer dollars back into the domestic economy by governments at the state and federal levels through, “Buy America” policies.

American workers have suffered enough from one sided trade deals that are great for business, but are disastrous for American and foreign workers alike. IFPTE urges you to vote no on HR 3688.

I thank you for your consideration. Should you have any questions please feel free to contact me, or IFPTE Legislative Director Matt Biggs at (301) 565-9016.

Sincerely,



Gregory J. Junemann,
President