

NEWS RELEASE

**FROM Rep. Charles B. Rangel Ranking Democrat, Committee on Ways and Means
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Ways and Means**

FOR IMMEDIATE RELEASE

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**Bush Administration Cannot Fail to Address Labor
Rights in Peru FTA-Doing so would set poor example
for future trade negotiations**

WASHINGTON, DC - Following a meeting today between President Bush and Peruvian President Alejandro Toledo senior Ways and Means Democrats reiterated the importance of including basic labor standards in the text of a Free Trade Agreement (FTA) with Peru.

In September 2005, President Toledo offered to include a commitment to comply with International Labor Organization standards for basic labor rights within the text of the FTA.

Toledo's offer echoed the position of a number of other governments, as communicated privately to Members of Congress.

"I've been optimistic that we will be able to resolve this issue, as President Toledo himself has indicated his willingness to include labor rights in the agreement, " said Ways and Means Ranking Member Charles B. Rangel. "If we involve all parties in an honest, open dialogue, I believe we can achieve the FTA we all know is possible."

Unfortunately, the United States Trade Representative (USTR) swiftly rejected Toledo's position and vowed not to include a commitment to ILO standards in the FTA. The rationale given by USTR was that not all US laws meet ILO standards.

"Including basic labor standards in the text of the FTA is the easiest, most effective way to hold countries accountable, and it's not too late to do this," said Rep. Benjamin Cardin, the lead Democrat on the Trade Subcommittee. "The Bush Administration has been unwilling to deviate from their hard-line stance, but here they've been presented with a partner eager to expand the rights of its working people for the good of all those involved."

Recent reports from both the U.S. Department of State and the ILO have highlighted a number of areas in which Peru's labor laws fall short of basic international standards, including:

- * Failure to prohibit employer interference in union organization
- * Inadequate protection against anti-union discrimination
- * Inadequate child labor protections
- * Employers may change unilaterally Collective Bargaining Agreements
- * Onerous strike requirements
- * Cost of arbitration partly imposed on unions