

# US says Peru lining up labor code for trade deal

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WASHINGTON - U.S. lawmakers will push a trade deal with Peru closer to a vote come September, once the Andean country brings its labor code in line with U.S. lawmakers' demands, a senior U.S. lawmaker said on Wednesday.

"The (labor) language is such that it would allow us -- once it's done, and it will be done -- to move on this swiftly in September," Rep. Charles Rangel, head of the House Ways and Means Committee, said in an interview with Reuters conducted after he returned from a congressional mission to Lima.

Rangel said his committee, which oversees trade, would vote on the bilateral agreement when Congress returns in early September. If passed, it would then go to a full House of Representatives for a vote.

Rangel is confident that as Peru moves to tweak its labor code to meet U.S. lawmakers' demands -- which he expects to happen in August -- support for the deal will grow.

"Inclusion of these provisions make it easier for Democrats who had reservations about any trade bill," Rangel said.

The deal with Peru, a poor but growing country that is a key U.S. ally in Latin America, is perhaps the most popular among a spate of trade agreements the Bush administration wants to see approved right away.

Yet as Trade Representative Susan Schwab courts a Congress now controlled by trade-wary Democrats, it remains to be seen how much support the Peru-U.S. deal, which was signed more than a year ago, will muster.

After Schwab and lawmakers reached a deal in May to bolster worker and environmental protections in trade deals, Peru's Congress approved a host of amendments to the pact.

The government of President Alan Garcia, which believes the deal will bring jobs, investment and greater growth to a nation still saddled with poverty, is bending over backward to prove that it not only has the right labor laws on its books but that they can be enforced.

Peruvian labor officials were in Washington last week to meet with congressional staffers on additional labor issues now under scrutiny. Peru insists it is already in compliance on five of around a dozen points and is moving ahead on the rest.

"Peru is working swiftly in order to comply with the commitments embodied in the agreement and the protocol amendments" which lawmakers there passed in June, said Vladimir Kocerha, a spokesman at the Peruvian embassy in Washington.

Rangel, a New York Democrat, said he was uncertain when his committee would vote on similar trade deals with Panama and Colombia.

The Colombia agreement is the most contentious of the lot. Some lawmakers have refused to consider approval of that deal until the government improves its human rights record.